**BROWN ADVISORY FUNDS**

**Brown Advisory Growth Equity Fund**
**Brown Advisory Flexible Equity Fund**
**Brown Advisory Sustainable Growth Fund**
**Brown Advisory Small-Cap Growth Fund**
**Brown Advisory Small-Cap Fundamental Value Fund**
**Brown Advisory Sustainable Small-Cap Core Fund**
**Brown Advisory Sustainable Value Fund**
**Brown Advisory Global Leaders Fund**
**Brown Advisory Sustainable International Leaders Fund**
**Brown Advisory Intermediate Income Fund**
**Brown Advisory Sustainable Bond Fund**
**Brown Advisory Maryland Bond Fund**
**Brown Advisory Tax-Exempt Bond Fund**
**Brown Advisory Tax-Exempt Sustainable Bond Fund**
**Brown Advisory Mortgage Securities Fund**
**Brown Advisory − WMC Strategic European Equity Fund**
**Brown Advisory Emerging Markets Select Fund**
**Brown Advisory – Beutel Goodman Large-Cap Value Fund**
**Brown Advisory − WMC Japan Equity Fund**

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**Supplement dated September 30, 2026**
**to the Statement of Additional Information ("SAI") dated October 31, 2025, as amended**

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## 1. Change in Portfolio Managers for the Brown Advisory Sustainable Growth Fund

As of September 30, 2026, John Canning, CFA, will serve as a portfolio manager to the Fund, joining Karina Funk, CFA, and David Powell, CFA, who have served as portfolio managers to the Fund since its inception in 2012. Effective March 31, 2027, Karina Funk, CFA, will no longer serve as a portfolio manager to the Fund as she will transition to an advisory role with respect to sustainable investing at Brown Advisory LLC, the investment adviser to the Fund.

a. In the section entitled "Management – Investment Adviser – Information Regarding Portfolio Managers – Other Accounts under Management," Mr. Canning did not manage any other accounts as of June 30, 2026.
b. In the section entitled "Management – Investment Adviser – Information Regarding Portfolio Managers – Portfolio Managers Ownership in the Funds," Mr. Canning owned between $100,001 - $500,000 of shares in the Brown Advisory Sustainable Growth Fund as of June 30, 2026.

## 2. Change in the Chief Compliance Officer

Brett Rogers, who served as Chief Compliance Officer ("CCO") to the Brown Advisory Funds since inception in 2012, resigned as CCO, and has been replaced by Marissa Collins effective as of May 12, 2026. Mr. Rogers continues in his role as General Counsel to Brown Advisory LLC, the investment adviser to the Brown Advisory Funds, and its affiliates.

Accordingly, the table in the section entitled "Management – Trustees and Executive Officers" is amended by removing references to Mr. Rogers and adding the following:

| Name, Address And Age | Position with the Trust | Term of Office and Length of Time Served | Principal Occupation(s) During Past 5 Years and Other Relevant Experience | Number of Portfolios in Fund Complex Overseen by Trustee | Other Directorships Held During the Past 5 Years[(2)] |
|---|---|---|---|---|---|
| **Interested Trustees and Officers of the Trust** | | | | | |
| Marissa Collins<br>Age: 34<br>c/o Brown Advisory LLC<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Chief Compliance Officer | Indefinite Term; Since May 2026 | Counsel and Compliance Officer, Brown Advisory Incorporated and affiliates (investment management firm) (since 2021) | Not Applicable | Not Applicable |
| | Anti Money Laundering Officer | Indefinite Term; Since May 2026 | | | |

If you have any questions, please call Brown Advisory Funds at 800-540-6807 (toll free) or 414-203-9064.

**Investors should retain this supplement for future reference.**

**BROWN ADVISORY FUNDS**
**(the "Trust")**

**Brown Advisory Small-Cap Growth Fund**
**(the "Fund")**

**Institutional Shares (BAFSX)**
**Investor Shares (BIASX)**
**Advisor Shares (BASAX)**

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**Supplement dated August 27, 2026**
**to the Prospectus and Summary Prospectus, each dated October 31, 2025, as amended**

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This supplement serves as notification of, and provides information regarding, certain changes to the portfolio management arrangements for the Fund.

## 1. Change in Title of Portfolio Manager for the Fund

Effective as of August 27, 2026, as part of the firm's succession planning, George Sakellaris, CFA, has assumed the role as portfolio manager to the Fund alongside Christopher Berrier. Mr. Sakellaris previously served as associate portfolio manager to the Fund since 2017. Accordingly, Mr. Sakellaris now retains equal decision-making authority in the day-to-day management of the Fund with Mr. Berrier, who has served as portfolio manager to the Fund since 2006. It is currently expected that Mr. Berrier will transition away from his role as a portfolio manager to the Fund during the second half of 2027, with Mr. Sakellaris assuming full decision-making authority in the day-to-day management of the Fund. The Trust will provide further information when the transition becomes effective.

If you have any questions, please call the Fund at 1-800-540-6807 (toll free) or 414-203-9064.

**Investors should retain this supplement for future reference**

**BROWN ADVISORY FUNDS**

**Brown Advisory Mid-Cap Growth Fund**
**(the "Fund")**

**Institutional Shares (BAFMX)**
**Investor Shares (BMIDX)**
**Advisor Shares (Not Available for Sale)**

Supplement dated March 10, 2026

to the Prospectus, the Summary Prospectus and the Statement of Additional Information

dated October 31, 2025, as supplemented to date

The Board of Trustees (the "Board") of Brown Advisory Funds (the "Trust"), based upon the recommendation of Brown Advisory LLC (the "Adviser"), the investment adviser to the Fund, has determined to close and liquidate the Fund. The Board concluded that it would be in the best interest of the Fund and its shareholders that the Fund be closed and liquidated as a series of the Trust effective as of the close of business on or about April 24, 2026. Accordingly, the Board approved a Plan of Liquidation and Termination (the "Plan") that sets forth the manner in which the Fund will be liquidated.

Effective March 12, 2026, in anticipation of the liquidation, the Fund is no longer accepting purchases into the Fund, except for the reinvestment of dividends and distributions, if any. In addition, the Adviser will begin an orderly transition of the portfolio to cash and cash equivalents, and the Fund will no longer be pursuing its stated investment objective. Shareholders of the Fund may redeem their investments as described in the Fund's Prospectus.

Pursuant to the Plan, if the Fund has not received your redemption request or other instruction prior to April 24, 2026, your shares will be redeemed on April 24, 2026, and you will receive your proceeds from the Fund, subject to any required withholding. These proceeds will generally be subject to federal and possibly state and local income taxes if the redeemed shares are held in a taxable account, and the proceeds exceed your adjusted basis in the shares redeemed.

FOR SHAREHOLDERS WHO HOLD AN IRA DIRECTLY WITH THE FUND: If your IRA is held directly with the Fund, through the Fund's transfer agent, the closing of the Fund will result in the closure of your IRA. You may contact the Fund's transfer agent by telephone at 800-540-6807 (toll free) or 414-203-9064 for instructions on performing a trustee-to-trustee transfer, if you intend to transfer your IRA holdings to another IRA provider via a trustee-to-trustee transfer prior to April 24, 2026. If the Fund does not receive an acceptance of transfer from another IRA provider prior to April 24, 2026, your investment in the Fund will be liquidated as a distribution from your IRA, with 10% federal withholding on April 24, 2026 (state withholding may also apply). If you do not perform a trustee-to-trustee transfer prior to distribution, you may still qualify to perform an "indirect rollover" within 60 days from the date you receive your proceeds. You should consult with your tax advisor on the consequences of this redemption and distribution to you. Shareholder inquiries should be directed to the Fund at 800-540-6807 (toll free) or 414-203-9064.

Shareholder inquiries should be directed to the Fund at 800-540-6807 (toll free) or 414-203-9064.

**Please retain this supplement for your reference.**

**BROWN ADVISORY FUNDS**

**Brown Advisory Growth Equity Fund**
**Brown Advisory Flexible Equity Fund**
**Brown Advisory Sustainable Growth Fund**
**Brown Advisory Mid-Cap Growth Fund**
**Brown Advisory Small-Cap Growth Fund**
**Brown Advisory Small-Cap Fundamental Value Fund**
**Brown Advisory Sustainable Small-Cap Core Fund**
**Brown Advisory Sustainable Value Fund**
**Brown Advisory Global Leaders Fund**
**Brown Advisory Sustainable International Leaders Fund**
**Brown Advisory Intermediate Income Fund**
**Brown Advisory Sustainable Bond Fund**
**Brown Advisory Maryland Bond Fund**
**Brown Advisory Tax-Exempt Bond Fund**
**Brown Advisory Tax-Exempt Sustainable Bond Fund**
**Brown Advisory Mortgage Securities Fund**
**Brown Advisory − WMC Strategic European Equity Fund**
**Brown Advisory Emerging Markets Select Fund**
**Brown Advisory – Beutel Goodman Large-Cap Value Fund**
**Brown Advisory − WMC Japan Equity Fund**

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**Supplement dated February 12, 2026**
**to the Statement of Additional Information ("SAI") dated October 31, 2025, as supplemented**

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This supplement serves as notification of, and provides information regarding, certain changes effective as of February 12, 2026 (the "Effective Date").

## 1. Change in Portfolio Managers for the Brown Advisory Tax-Exempt Sustainable Bond Fund

Amy Hauter will no longer serve as portfolio manager to the Brown Advisory Tax-Exempt Sustainable Bond Fund (the "Fund").

Accordingly, as of the Effective Date, all references to Ms. Hauter as portfolio manager to the Fund in the SAI are hereby removed.

**2. Update to Redemption In-Kind Disclosure**

a. The second paragraph of the section entitled "Additional Purchase and Redemption Information – Redemptions In-Kind" is amended and restated in its entirety as shown below:

Each Fund does not intend to hold any significant percentage of its portfolio in illiquid securities, although a Fund, like virtually all mutual funds, may from time to time hold a small percentage of securities that are illiquid. In the event a Fund held illiquid securities and elected to make a pro rata in-kind redemption, such distribution may contain a pro rata portion of such illiquid securities or a Fund may determine, based on a materiality assessment, not to include illiquid securities in the in-kind redemption. Each Fund does not anticipate that it would ever selectively distribute a greater than pro rata portion of any illiquid securities to satisfy a redemption request. If such securities are included in the distribution, shareholders may not be able to liquidate such securities and may be required to hold such securities indefinitely. Shareholders' ability to liquidate such securities distributed in-kind may be restricted by resale limitations or substantial restrictions on transfer imposed by the issuers of the securities or by law. Shareholders may only be able to liquidate such securities distributed in-kind at a substantial discount from their value, and there may be higher brokerage costs associated with any subsequent disposition of these securities by the recipient.

b. The section entitled "Taxation – Sale, Exchange or Redemption of Shares" is amended by adding the below language following the first paragraph:

A shareholder who redeems shares of a Fund in-kind generally will recognize a gain or a loss equal to the difference between the market value of the securities and other assets received by the shareholder in redemption of its shares at the time of the redemption and the shareholder's basis in the Fund shares redeemed. Persons redeeming Fund shares in-kind should consult their own tax advisors with respect to the tax treatment of any redemption transaction.

If you have any questions, please call Brown Advisory Funds at 800-540-6807 (toll free) or 414-203-9064.

**Investors should retain this supplement for future reference.**

**BROWN ADVISORY FUNDS**

**Brown Advisory Growth Equity Fund**
**Brown Advisory Flexible Equity Fund**
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**Brown Advisory − WMC Strategic European Equity Fund**
**Brown Advisory Emerging Markets Select Fund**
**Brown Advisory – Beutel Goodman Large-Cap Value Fund**
**Brown Advisory − WMC Japan Equity Fund**

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**Supplement dated December 19, 2025**
**to the Statement of Additional Information ("SAI") dated October 31, 2025**

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1. Effective December 31, 2025, Henry H. Hopkins, a member of the Board of Trustees of the Brown Advisory Funds (the "Trust") has retired from his role as an Independent Trustee of the Trust. Accordingly, all references to Mr. Hopkins serving as an Independent Trustee of the Trust throughout the SAI are removed in their entirety.

2. The table entitled "Other Accounts under Management" in the section entitled "Management - Investment Sub-Adviser – Brown Advisory Emerging Markets Select Fund – Information Regarding Portfolio Managers" is deleted and restated with the following:

   **Other Accounts Under Management**. The table below identifies, for the portfolio manager of the Brown Advisory Emerging Markets Select Fund, the number of accounts managed (excluding the Fund) and the total assets in such accounts, within each of the following categories: registered investment companies, other pooled investment vehicles, and other accounts. Information in the table is shown as of June 30, 2025. Asset amounts are approximate and have been rounded.

| | Number of Other Accounts Managed and Assets by Account Type | | | Number of Accounts and Assets for which Advisory Fee is Performance Based | | |
|---|---|---|---|---|---|---|
| **Fund and Portfolio Manager** | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts |
| **Brown Advisory Emerging Markets Select Fund** | | | | | | |
| Rakesh Bordia | 17<br>$11.0 billion | 36<br>$5.0 billion | 41<br>10.1 billion | 1<br>$303 million | 1<br>$400 million | 0<br>$0 |
| Caroline Cai | 18<br>$12.9 billion | 65<br>$29.1 billion | 59<br>$15.5 billion | 2<br>$2.2 billion | 4<br>$806 million | 0<br>$0 |
| Allison Fisch | 17<br>$11.0 billion | 36<br>$5.0 billion | 40<br>10.1 billion | 1<br>$303 million | 1<br>$400 million | 0<br>$0 |
| Akhil Subramanian | 5<br>$3.1 billion | 18<br>$2.1 billion | 18<br>$6.1 billion | 1<br>$303 million | 1<br>$400 million | 0<br>$0 |

If you have any questions, please call Brown Advisory Funds at 800-540-6807 (toll free) or 414-203-9064.

**Investors should retain this supplement for future reference.**

# STATEMENT OF ADDITIONAL INFORMATION

## BROWN ADVISORY FUNDS
## October 31, 2025

**Investment Adviser:**

Brown Advisory LLC
901 South Bond Street
Suite 400
Baltimore, MD 21231

**Account Information and Shareholder Services:**

Brown Advisory Funds
c/o U.S. Bank Global Fund Services
P.O. Box 219252
Kansas City, MO 64121-9252
(800) 540-6807 (toll free) or (414) 203-9064

**BROWN ADVISORY GROWTH EQUITY FUND**
Institutional Shares (BAFGX)
Investor Shares (BIAGX)
Advisor Shares (BAGAX)

**BROWN ADVISORY FLEXIBLE EQUITY FUND**
Institutional Shares (BAFFX)
Investor Shares (BIAFX)
Advisor Shares (BAFAX)

**BROWN ADVISORY SUSTAINABLE GROWTH FUND**
Institutional Shares (BAFWX)
Investor Shares (BIAWX)
Advisor Shares (BAWAX)

**BROWN ADVISORY MID-CAP GROWTH FUND**
Institutional Shares (BAFMX)
Investor Shares (BMIDX)
Advisor Shares (Not Available for Sale)

**BROWN ADVISORY SMALL-CAP GROWTH FUND**
Institutional Shares (BAFSX)
Investor Shares (BIASX)
Advisor Shares (BASAX)

**BROWN ADVISORY SMALL-CAP FUNDAMENTAL VALUE FUND**
Institutional Shares (BAUUX)
Investor Shares (BIAUX)
Advisor Shares (BAUAX)

**BROWN ADVISORY SUSTAINABLE SMALL-CAP CORE FUND**
Institutional Shares (BAFYX)
Investor Shares (BIAYX)
Advisor Shares (Not Available for Sale)

**BROWN ADVISORY SUSTAINABLE VALUE FUND**
Institutional Shares (BASVX)
Investor Shares (BISVX)
Advisor Shares (Not Available for Sale)

**BROWN ADVISORY GLOBAL LEADERS FUND**
Institutional Shares (BAFLX)
Investor Shares (BIALX)
Advisor Shares (Not Available for Sale)

**BROWN ADVISORY SUSTAINABLE INTERNATIONAL LEADERS FUND**
Institutional Shares (BAILX)
Investor Shares (BISLX)
Advisor Shares (Not Available for Sale)

**BROWN ADVISORY INTERMEDIATE INCOME FUND**
Institutional Shares (Not Available for Sale)
Investor Shares (BIAIX)
Advisor Shares (BAIAX)

**BROWN ADVISORY SUSTAINABLE BOND FUND**
Institutional Shares (BAISX)
Investor Shares (BASBX)
Advisor Shares (Not Available for Sale)

**BROWN ADVISORY MARYLAND BOND FUND**
Institutional Shares (Not Available for Sale)
Investor Shares (BIAMX)
Advisor Shares (Not Available for Sale)

**BROWN ADVISORY TAX-EXEMPT BOND FUND**
Institutional Shares (BTEIX)
Investor Shares (BIAEX)
Advisor Shares (Not Available for Sale)

**BROWN ADVISORY TAX-EXEMPT SUSTAINABLE BOND FUND**
Institutional Shares (Not Available for Sale)
Investor Shares (BITEX)
Advisor Shares (Not Available for Sale)

**BROWN ADVISORY MORTGAGE SECURITIES FUND**
Institutional Shares (BAFZX)
Investor Shares (BIAZX)
Advisor Shares (Not Available for Sale)

**BROWN ADVISORY – WMC STRATEGIC EUROPEAN EQUITY FUND**
Institutional Shares (BAFHX)
Investor Shares (BIAHX)
Advisor Shares (BAHAX)

**BROWN ADVISORY EMERGING MARKETS SELECT FUND**
Institutional Shares (BAFQX)
Investor Shares (BIAQX)
Advisor Shares (BAQAX)

**BROWN ADVISORY – BEUTEL GOODMAN LARGE-CAP VALUE FUND**
Institutional Shares (BVALX)
Investor Shares (BIAVX)
Advisor Shares (Not Available for Sale)

**BROWN ADVISORY – WMC JAPAN EQUITY FUND**
Institutional Shares (BAFJX)
Investor Shares (BIJEX)
Advisor Shares (Not Available for Sale)

This Statement of Additional Information (the "SAI") provides additional information to the Prospectus dated October 31, 2025, as may be amended from time to time. This SAI is not a prospectus and should only be read in conjunction with the Prospectus. You may obtain the Prospectus without charge by contacting U.S. Bank Global Fund Services at the address or telephone number listed above or by visiting the Funds' website at www.brownadvisory.com/mf.

Investors in the Funds will be informed of the Funds' progress through periodic reports. Financial statements certified by an independent registered public accounting firm will be filed with the SEC at least annually. Financial Statements for the Funds for the fiscal year ended June 30, 2025, included in the Form N-CSR filed with the SEC, are incorporated into this SAI by reference. Copies of the Form N-CSR (for all Funds other than the Brown Advisory Emerging Markets Select Fund) and the Form N-CSR (for the Brown Advisory Emerging Markets Select Fund) may be obtained, without charge, upon request by contacting U.S. Bank Global Fund Services at the address or telephone number listed above.

**TABLE OF CONTENTS**


**GLOSSARY** ..... **1**
**THE TRUST** ..... **2**
**INVESTMENT POLICIES AND RISKS** ..... **3**
**INVESTMENT LIMITATIONS** ..... **67**
**MANAGEMENT** ..... **33**
**PORTFOLIO TRANSACTIONS** ..... **70**
**ADDITIONAL PURCHASE AND REDEMPTION INFORMATION** ..... **78**
**TAXATION** ..... **81**
**OTHER MATTERS** ..... **91**
**APPENDIX A – DESCRIPTION OF SECURITIES RATINGS** ..... **A-1**
**APPENDIX B – PROXY VOTING POLICIES** ..... **B-1**

## GLOSSARY

As used in this SAI, the following terms have the meanings listed:

"Accountant" means U.S. Bank Global Fund Services.

"Administrator" means U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services.

"Adviser" means Brown Advisory LLC, the Funds' investment adviser.

"Board" means the Board of Trustees of the Trust.

"CFTC" means Commodity Futures Trading Commission.

"Code" means the Internal Revenue Code of 1986, as amended the rules thereunder, IRS interpretations and any private letter rulings or similar authority upon which the Funds may rely.

"Custodian" means U.S. Bank National Association.

"Distributor" means ALPS Distributors, Inc.

"Fund" means each of Brown Advisory Growth Equity Fund, Brown Advisory Flexible Equity Fund, Brown Advisory Sustainable Growth Fund, Brown Advisory Mid-Cap Growth Fund, Brown Advisory Small-Cap Growth Fund, Brown Advisory Small-Cap Fundamental Value Fund, Brown Advisory Sustainable Small-Cap Core Fund, Brown Advisory Sustainable Value Fund, Brown Advisory Global Leaders Fund, Brown Advisory Sustainable International Leaders Fund, Brown Advisory Intermediate Income Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund, Brown Advisory Tax-Exempt Sustainable Bond Fund, Brown Advisory Mortgage Securities Fund, Brown Advisory – WMC Strategic European Equity Fund, Brown Advisory Emerging Markets Select Fund, Brown Advisory – Beutel Goodman Large-Cap Value Fund, and Brown Advisory – WMC Japan Equity Fund.

"Fund Services" means U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services.

"Independent Trustee" means a Trustee that is not an interested person of the Trust as that term is defined in Section 2(a)(19) of the 1940 Act.

"IRS" means U.S. Internal Revenue Service.

"Moody's" means Moody's Investors Service.

"NAV" means net asset value per share.

"NRSRO" means a nationally recognized statistical rating organization.

"SAI" means Statement of Additional Information.

"SEC" means the U.S. Securities and Exchange Commission.

"S&P" means S&P Global Ratings.

"Sub-Adviser" means Brown Advisory Limited, Wellington Management Company LLP, Pzena Investment Management, LLC, and Beutel, Goodman & Company Ltd.

"Transfer Agent" means U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services.

"Trust" means Brown Advisory Funds.

"U.S." means United States.

"U.S. Government Securities" means obligations issued or guaranteed by the U.S. Government, its agencies or instrumentalities.

"1933 Act" means the Securities Act of 1933, as amended, and including rules and regulations as promulgated thereunder.

"1934 Act" means the Securities Exchange Act of 1934, as amended, and including rules and regulations as promulgated thereunder.

"1940 Act" means the Investment Company Act of 1940, as amended, and including rules and regulations, SEC interpretations and any exemptive order applicable to the Funds or interpretive relief promulgated thereunder.

# THE TRUST

The Trust is a Delaware statutory trust organized on May 1, 2012, and is registered with the SEC as an open-end management investment company. The Trust's Declaration of Trust (the "Declaration of Trust") permits the Trust's Board of Trustees (the "Board") to issue an unlimited number of full and fractional shares of beneficial interest, without par value, which may be issued in any number of series and classes, with each series representing a separate portfolio of investments with its own investment objectives, policies and restrictions. The Board may, from time to time, issue additional series, the assets and liabilities of which will be separate and distinct from any other series. The Trust currently offers 20 separate investment series, or mutual funds (the "Funds"): Brown Advisory Growth Equity Fund, Brown Advisory Flexible Equity Fund, Brown Advisory Sustainable Growth Fund, Brown Advisory Mid-Cap Growth Fund, Brown Advisory Small-Cap Growth Fund, Brown Advisory Small-Cap Fundamental Value Fund, Brown Advisory Sustainable Small-Cap Core Fund, Brown Advisory Sustainable Value Fund, Brown Advisory Global Leaders Fund, Brown Advisory Sustainable International Leaders Fund, Brown Advisory Intermediate Income Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund, Brown Advisory Tax-Exempt Sustainable Bond Fund, Brown Advisory Mortgage Securities Fund, Brown Advisory – WMC Strategic European Equity Fund, Brown Advisory Emerging Markets Select Fund, Brown Advisory – Beutel Goodman Large-Cap Value Fund, and Brown Advisory - WMC Japan Equity Fund.

As a Delaware statutory trust, the Trust is subject to Delaware law, including the Delaware Statutory Trust Act. The Delaware Statutory Trust Act provides that a shareholder of a Delaware statutory trust shall be entitled to the same limitation of personal liability extended to shareholders of Delaware corporations, and the Declaration of Trust further provides that no shareholder of the Trust shall be personally liable for the obligations of the Trust or of any series or class thereof except by reason of his or her own acts or conduct.

**Fund History**

The Trust's initial two funds, the Brown Advisory Sustainable Growth Fund and the Brown Advisory Tax-Exempt Bond Fund (the "Initial Funds"), became effective on June 29, 2012. Each of the other Funds in the Trust (other than the Initial Funds, the Brown Advisory Mid-Cap Growth Fund, the Brown Advisory Global Leaders Fund, the Brown Advisory Sustainable Bond Fund, the Brown Advisory Mortgage Securities Fund, the Brown Advisory – WMC Strategic European Equity Fund, the Brown Advisory Emerging Markets Select Fund, the Brown Advisory – Beutel Goodman Large-Cap Value Fund, the Brown Advisory Sustainable Small-Cap Core Fund, the Brown Advisory Sustainable International Leaders Fund, the Brown Advisory Sustainable Value Fund, the Brown Advisory Tax-Exempt Sustainable Bond Fund, and the Brown Advisory - WMC Japan Equity Fund) became effective on October 19, 2012 and are the successors in interest to certain funds having the same names and investment objectives that were included as series of another investment company, Professionally Managed Portfolios (the "PMP Trust") and that were also advised by the Funds' investment adviser, Brown Advisory LLC (the "Predecessor Funds"). On September 26, 2012, the shareholders of each of the Predecessor Funds approved the reorganization of the Predecessor Funds with and into their corresponding series of the Trust (the "Successor Funds") and effective as of the close of business on October 19, 2012, the assets and liabilities of each of the Predecessor Funds were transferred to the Trust in exchange for shares of each of the applicable Successor Funds.

In addition, also on September 26, 2012, the shareholders of the Winslow Green Growth Fund, also a separate investment series of the PMP Trust, approved the transfer of the assets and liabilities of the Winslow Green Growth Fund into the Brown Advisory Sustainable Growth Fund. The effective date of the reorganization of the Winslow Green Growth Fund into the Brown Advisory Sustainable Growth Fund was the close of business on October 19, 2012.

On May 24, 2023, the Brown Advisory Total Return Fund was reorganized with and into the Brown Advisory Sustainable Bond Fund. The Brown Advisory Total Return Fund maintained a different investment objective but the same fundamental policies to that of the Brown Advisory Sustainable Bond Fund.

Prior to February 22, 2019, the Brown Advisory Emerging Markets Select Fund was named the Brown Advisory – Somerset Emerging Markets Fund.

Prior to August 15, 2013, the Brown Advisory Flexible Equity Fund was named the Brown Advisory Flexible Value Fund, and prior to October 1, 2008, this Fund was named the Flag Investors – Equity Opportunity Fund.

Prior to July 1, 2013, the Brown Advisory Sustainable Growth Fund was named the Brown Advisory Winslow Sustainability Fund.

On December 30, 2005, the Nevis Fund, Inc. (the "Nevis Predecessor Fund"), a registered investment company, reorganized with and into the Brown Advisory Opportunity Fund. The Nevis Predecessor Fund maintained the same investment objective and similar investment policies to that of the Brown Advisory Opportunity Fund. The Board approved the transfer of the assets and liabilities of the Brown Advisory Opportunity Fund into the Brown Advisory Global Leaders Fund. The effective date of the reorganization of the Brown Advisory Opportunity Fund into the Brown Advisory Global Leaders Fund was the close of business on October 23, 2015.

Prior to April 30, 2004, the Brown Advisory Intermediate Income Fund was named the Brown Advisory Intermediate Bond Fund. Prior to November 18, 2002, the Fund was named the BrownIA Intermediate Bond Fund.

Prior to November 18, 2002, the Brown Advisory Small-Cap Growth Fund was named the BrownIA Small-Cap Growth Fund and the Brown Advisory Growth Equity Fund was named the BrownIA Growth Equity Fund.

On September 20, 2002, the Short-Intermediate Income Fund, Inc. reorganized with and into the Brown Advisory Intermediate Income Fund. The Short-Intermediate Income Fund maintained the same investment objective and similar investment policies to that of the Brown Advisory Intermediate Income Fund.

Each of the Funds (other than the Brown Advisory Maryland Bond Fund and Brown Advisory – Beutel Goodman Large-Cap Value Fund) are diversified series of the Trust. The Brown Advisory Maryland Bond Fund and Brown Advisory – Beutel Goodman Large-Cap Value Fund are non-diversified series of the Trust. Please see the Prospectus for a discussion of the principal investment policies and risks of investing in the Funds.

The Funds' Prospectus and this SAI are a part of the Trust's Registration Statement filed with the SEC. Copies of the Trust's complete Registration Statement may be obtained from the SEC upon payment of the prescribed fee or may be accessed free of charge at the SEC's website at www.sec.gov.

## INVESTMENT POLICIES AND RISKS

Each Fund's principal investment strategies and the risks associated with the same are described in the "Summary Section," "Additional Information about the Funds' Principal Investment Strategies" and "Principal Risks" sections of the Prospectus. The following discussion provides additional information about those principal investment strategies and related risks, as well as information about investment strategies (and related risks) that a Fund may utilize, even though they are not considered to be "principal" investment strategies. Accordingly, an investment strategy (and related risk) that is described below, but which is not described in a Fund's Prospectus, should not be considered to be a principal strategy (or related risk) applicable to that Fund.

Not all securities or techniques discussed below are eligible investments for each of the Funds.

### Equity Securities

#### Common and Preferred Stock

**General.** Each Fund may invest in common stock. Common stock represents an equity (ownership) interest in a company, and usually possesses voting rights and earns dividends. Dividends on common stock are not fixed but are declared at the discretion of the issuer. Common stock generally represents the riskiest investment in a company. In addition, common stock generally has the greatest appreciation and depreciation potential because increases and decreases in earnings are usually reflected in a company's stock price.

Each Fund may invest in preferred stock. Preferred stock is a class of stock having a preference over common stock as to the payment of dividends and the recovery of investment should a company be liquidated, although preferred

stock is usually junior to the debt securities of the issuer. Preferred stock typically does not possess voting rights and its market value may change based on changes in interest rates.

**Risks.** The fundamental risk of investing in common and preferred stock is the risk that the value of the stock might decrease. Stock values fluctuate in response to the activities of an individual company or in response to general market and/or economic conditions. Historically, common stocks have provided greater long-term returns and have entailed greater short-term risks than preferred stocks, fixed-income and money market investments. The market value of all securities, including common and preferred stocks, is based upon the market's perception of value and not necessarily the book value of an issuer or other objective measures of a company's worth. If you invest in a Fund, you should be willing to accept the risks of the stock market and should consider an investment in the Fund only as a part of your overall investment portfolio.

**Convertible Securities**

**General.** Each Fund may invest in convertible securities. Each Fund may also invest in U.S. or foreign securities convertible into foreign common stock. Convertible securities include debt securities, preferred stock or other securities that may be converted into or exchanged for a given amount of common stock of the same or a different issuer during a specified period and at a specified price in the future. A convertible security entitles the holder to receive interest on debt or the dividend on preferred stock until the convertible security matures or is redeemed, converted or exchanged.

Convertible securities rank senior to common stock in a company's capital structure but are usually subordinated to comparable nonconvertible securities. Convertible securities have unique investment characteristics in that they generally: (1) have higher yields than common stocks, but lower yields than comparable non-convertible securities; (2) are less subject to fluctuation in value than the underlying stocks since they have fixed income characteristics; and (3) provide the potential for capital appreciation if the market price of the underlying common stock increases.

A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security is called for redemption, a Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party.

**Risks.** Investment in convertible securities generally entails less risk than an investment in the issuer's common stock. Convertible securities are typically issued by smaller capitalization companies whose stock price may be volatile. Therefore, the price of a convertible security may reflect variations in the price of the underlying common stock in a way that nonconvertible debt does not. The extent to which such risk is reduced, however, depends in large measure upon the degree to which the convertible security sells above its value as a fixed income security.

**Security Ratings Information.** Each Fund's investments in convertible securities are subject to the credit risk relating to the financial condition of the issuers of the securities that each Fund holds. Each Fund may purchase convertible securities of any rating – investment grade or non-investment grade. Each Fund may purchase unrated convertible securities and preferred stock if, at the time of purchase, the Adviser and/or Sub-Adviser believes that they are of comparable quality to rated securities that the Fund may purchase.

Unrated securities may not be as actively traded as rated securities. A Fund may retain securities whose rating has been lowered below the lowest permissible rating category (or that are unrated and determined by the Adviser and/or Sub-Adviser to be of comparable quality to securities whose rating has been lowered below the lowest permissible rating category) if the Adviser and/or Sub-Advisers determine that retaining such security is in the best interests of the Fund. Because a downgrade often results in a reduction in the market price of the security, the sale of a downgraded security may result in a loss.

Moody's, S&P and other NRSROs are private services that provide ratings of the credit quality of debt obligations, including convertible securities. A description of the range of ratings assigned to various types of bonds and other securities by several NRSROs is included in Appendix A to this SAI. Each Fund may use these ratings to determine whether to purchase, sell or hold a security. Ratings are general and are not absolute standards of quality. Securities with the same maturity, interest rate and rating may have different market prices. To the extent that the ratings given

by an NRSRO may change as a result of changes in such organizations or their rating systems, the Adviser and/or Sub-Advisers will attempt to substitute comparable ratings. Credit ratings attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value. Also, rating agencies may fail to make timely changes in credit ratings. An issuer's current financial condition may be better or worse than a rating indicates.

Credit ratings for debt securities provided by rating agencies evaluate the safety of principal and interest payments, not market value risk. The rating of an issuer is a rating agency's view of past and future potential developments related to the issuer and may not necessarily reflect actual outcomes. There can be a lag between the time of developments relating to an issuer and the time a rating is assigned and updated. See Appendix A for additional information on credit ratings.

**Warrants**

**General**. Each Fund may invest in warrants. Warrants are securities, typically issued with preferred stock or bonds that give the holder the right to purchase a given number of shares of common stock at a specified price and time. The price of the warrant usually represents a premium over the applicable market value of the common stock at the time of the warrant's issuance. Warrants have no voting rights with respect to the common stock, receive no dividends and have no rights with respect to the assets of the issuer.

**Risks.** Investments in warrants involve certain risks, including the possible lack of a liquid market for the resale of the warrants, potential price fluctuations due to adverse market conditions or other factors and failure of the price of the common stock to rise. If the warrant is not exercised within the specified time period, it becomes worthless.

**Depositary Receipts**

**General.** Each Fund may invest in sponsored and unsponsored American Depositary Receipts ("ADRs"), European Depositary Receipts ("EDRs"), Global Depositary Receipts ("GDRs"), Holding Company Depositary Receipts ("HOLDRs"), New York Registered Shares ("NYRs") American Depositary Shares ("ADSs"), or Non-Voting Depositary Receipts ("NVDRs"). ADRs typically are issued by a U.S. bank or trust company, evidence ownership of underlying securities issued by a foreign company, and are designed for use in U.S. securities markets. EDRs are issued by European financial institutions and typically trade in Europe and GDRs are issued by European financial institutions and typically trade in both Europe and the United States. HOLDRs trade on the American Stock Exchange and are fixed baskets of U.S. or foreign stocks that give an investor an ownership interest in each of the underlying stocks. NYRs, also known as Guilder Shares since most of the issuing companies are Dutch, are dollar-denominated certificates issued by foreign companies specifically for the U.S. market. ADSs are shares issued under a deposit agreement that represents an underlying security in the issuer's home country. (An ADS is the actual share trading, while an ADR represents a bundle of ADSs). NVDRs are listed securities through which investors receive the same financial benefits as those who invest directly in a company's common stock; however, unlike common stockholders, NVDR holders cannot be involved in proxy voting if the company solicits votes from stockholders.

Each Fund invests in depositary receipts in order to obtain exposure to foreign securities markets. For purposes of a Fund's investment policies, the Fund's investment in an ADR will be considered an investment in the underlying securities of the applicable foreign company.

**Risks.** Unsponsored depositary receipts may be created without the participation of the foreign issuer. Holders of these receipts generally bear all the costs of the depositary receipt facility, whereas foreign issuers typically bear certain costs of a sponsored depositary receipt. The bank or trust company depositary of an unsponsored depositary receipt may be under no obligation to distribute shareholder communications received from the foreign issuer or to pass through voting rights. Accordingly, available information concerning the issuer may not be current and the prices of unsponsored depositary receipts may be more volatile than the prices of sponsored depositary receipts.

**Foreign Securities**

Each Fund may invest in foreign securities. Investments in the securities of foreign issuers may involve risks in addition to those normally associated with investments in the securities of U.S. issuers. All foreign investments are

subject to risks of: (1) foreign political and economic instability such as war, hyperinflation, currency devaluations and overdependence on particular industries; (2) adverse movements in foreign exchange rates; (3) the imposition or tightening of exchange controls or other limitations on repatriation of foreign capital; and (4) changes in foreign governmental attitudes towards private investment, including potential nationalization, increased taxation or confiscation of a Fund's assets. Each Fund may invest in non-US dollar denominated securities including debt obligations denominated in foreign or composite currencies (such as the European Currency Unit) issued by (1) foreign national, provincial, state or municipal governments or their political subdivisions; (2) international organizations designated or supported by governmental entities (e.g., the World Bank and the European Community); (3) non-dollar securities issued by the U.S. Government; and (4) foreign corporations. Economic sanctions could among other things, effectively restrict or eliminate a Fund's ability to purchase or sell securities or groups of securities for a substantial period of time, and may make the Fund's investments in such securities harder to value.

International trade tensions may arise from time to time which could result in trade tariffs, embargoes or other restrictions or limitations on trade. The imposition of any actions on trade could trigger a significant reduction in international trade, an oversupply of certain manufactured goods, substantial price reductions of goods and possible failure of individual companies or industries which could have a negative impact on Fund's performance. Events such as these are difficult to predict and may or may not occur in the future.

In addition, interest and dividends payable on foreign securities may be subject to foreign withholding taxes, thereby reducing the income available for distribution to you. Some foreign brokerage commissions and custody fees are higher than those in the U.S. Foreign accounting, auditing and financial reporting standards differ from those in the U.S. and therefore, less information may be available about foreign companies than is available about issuers of comparable U.S. companies. Foreign securities also may trade less frequently and with lower volume and may exhibit greater price volatility than U.S. securities.

Changes in foreign exchange rates will affect the U.S. dollar value of all foreign currency-denominated securities held by a Fund. Exchange rates are influenced generally by the forces of supply and demand in the foreign currency markets and by numerous other political and economic events occurring outside the United States, many of which may be difficult, if not impossible, to predict.

Income from foreign securities will be received and realized in foreign currencies and a Fund is required to compute and distribute income in U.S. dollars. Accordingly, a decline in the value of a particular foreign currency against the U.S. dollar after a Fund's income has been earned and computed in U.S. dollars may require the Fund to liquidate portfolio securities to acquire sufficient U.S. dollars to make a distribution. Similarly, if the exchange rate declines between the time a Fund incurs expenses in U.S. dollars and the time such expenses are paid, the Fund may be required to liquidate additional foreign securities to purchase the U.S. dollars required to meet such expenses.

**Emerging Markets**

Investing in emerging markets can have more risk than investing in developed foreign markets. The risks of investing in these markets may be exacerbated relative to investments in foreign markets. Governments of developing and emerging market countries may be more unstable as compared to more developed countries. Developing and emerging market countries may have less developed securities markets or exchanges, and legal and accounting systems. In addition, companies in emerging market countries may not be subject to accounting, auditing, financial reporting and recordkeeping requirements that are as robust as those in more developed countries, and therefore, material information about a company may be unavailable or unreliable, and U.S. regulators may be unable to enforce a company's regulatory obligations. It may be more difficult to sell securities at acceptable prices and security prices may be more volatile than in countries with more mature markets. Currency values may fluctuate more in developing or emerging markets. Developing or emerging market countries may be more likely to impose government restrictions, including confiscatory taxation, expropriation or nationalization of a company's assets, and restrictions on foreign ownership of local companies. In addition, emerging markets may impose restrictions on the Fund's ability to repatriate investment income or capital and thus, may adversely affect the operations of the Fund. Certain emerging markets may impose constraints on currency exchange and some currencies in emerging markets may have been devalued significantly against the U.S. dollar. For these and other reasons, the prices of securities in emerging markets can fluctuate more significantly than the prices of securities of companies in developed countries. The less developed the country, the greater effect these risks may have on the

Fund. Investors should be able to tolerate sudden, sometimes substantial, fluctuations in the value of their investments.

**Japanese Securities Risks**

Investment in securities of Japanese issuers involves risks that may be greater than if a Fund's investments were more geographically diverse. Japan's economy is heavily dependent on international trade. As such, economic growth may be heavily dependent on continued growth in international trade, government support of the financial services sector, among other sectors, and consistent government policy. Meanwhile, Japan's aging and decreasing population increases the cost of Japan's pension and public welfare system and lowers domestic demand, making Japan more dependent on exports to sustain its economy. Therefore, developments that negatively affect Japan's exports could present risks to a Fund's investments in Japan. For example, tension in the region, including matters related to China, may adversely impact Japan's economy. Japan's economy is also closely tied to its two largest trading partners, the U.S. and China. Economic volatility in either nation may create volatility for Japan's economy as well. Additionally, as China has increased its role with Japan as a trading partner, political tensions between the countries have been strained. Any increase or decrease in such tension may have consequences for investment in Japanese issuers. The Japanese economy faces a number of long-term problems, including substantial government debt, the aging and shrinking of the population, and low domestic consumption. Japan has experienced natural disasters of varying degrees of severity, and the risks of such phenomena, and damage resulting therefrom, continue to exist. The Japanese yen has also fluctuated widely during recent periods and may be affected by currency volatility elsewhere in Asia, especially Southeast Asia.

**European Securities Risks**

European countries can be significantly affected by the actions of their own individual governments as well as the actions of other European institutions, such as the European Union ("EU"), the European Economic and Monetary Union ("EMU") and the European Central Bank. The EU is an intergovernmental and supranational union consisting of 27 member states. One of the key responsibilities of the EU is to create and administer a unified trade policy. The member states created the EMU that established different stages and commitments that member states need to follow to achieve greater economic policy coordination and monetary cooperation. Member states relinquish their monetary control to the European Central Bank and use a single unified currency, the euro.

Investments in Europe are also subject to currency risks. Further, because many countries are dependent on foreign exports, any fluctuations in the euro exchange rate could have a negative effect on an issuer's profitability and performance.

The EU has been extending its influence to the east as it has accepted several new Eastern European countries as members. Some of the new members remain burdened by the inherited inefficiencies of centrally planned economies. Additionally, these countries are dependent on Western Europe for trade and credit. The current and future status of the EU continues to be the subject of political and regulatory controversy, with widely differing views both within and between member countries.

The European financial markets have experienced uncertainty over the past few years, largely because of concerns about rising government debt levels and increased budget deficits. Political and regulatory responses to address structural and policy issues have created even greater instability throughout the region. The high levels of public debt increases the likelihood that certain European issuers will either default or restructure their debt obligations, which would have a negative effect on asset values. The use of austerity measures in countries such as Spain, Italy, Greece, Portugal and Ireland during times in which the eurozone has high levels of unemployment has limited economic growth. European countries can be adversely affected by the tight fiscal and monetary controls that the EMU requires its members to comply with. Due to the severity and prolonged economic crisis in Europe, it is possible that one or more of the EU members could abandon the euro and revert to a national currency, or otherwise cease to be a member of the EU. Although it is impossible to predict the effects of one or more countries exiting the EU, the outcome would likely lead to economic instability that would impact not only the EU member countries but the global economy as well.

On February 24, 2022, Russia commenced a military attack on Ukraine, amplifying geopolitical tensions among Russia, Ukraine, Europe and other countries, including the U.S. Sanctions imposed on Russia, Russian companies and financial institutions, Russian individuals and others by the United States and other countries, and any sanctions imposed in the future could have a significant adverse impact on the Russian economy and related markets. The price and liquidity of investments may fluctuate widely as a result of the conflict and related events. As a result, the value of certain securities held by a Fund could be significantly impacted, which could lead to such securities being valued at zero. The conflict may expand, and military attacks could occur elsewhere in Europe. How long such conflict and related events, including sanctions and other punitive actions taken, will last and whether it will escalate further cannot be predicted.

**Derivatives**

Some of the instruments in which the Funds may invest may be referred to as "derivatives," because their value "derives" from the value of an underlying asset, reference rate or index. These instruments include options, futures contracts, forward currency contracts, swaps and other similar instruments. For regulatory reasons, certain structured securities that may involve a future payment obligation for a Fund may also be classified as derivatives. Investing in derivatives can involve leverage risk, liquidity risk, counterparty risk, market risk and operational/legal risk. The market value of derivative instruments and securities may be more volatile than those of other instruments and each type of derivative instrument may have its own special risks. The use of derivatives is a highly specialized activity that involves strategies and risks that are different from those involving ordinary portfolio securities transactions, and generally depends on the manager's ability to predict market movements. Moreover, even if the Adviser or a Sub-Adviser is correct in its forecast, there is still a risk that a derivative position may not perform as initially anticipated. Participation in the markets for derivative instruments involves investment risks and transaction costs to which a Fund may not be subject absent the use of these strategies. Amounts paid as premiums and cash or other assets held in margin accounts with respect to such instruments are not otherwise available to the Funds for investment purposes.

Some over-the-counter ("OTC") derivative instruments may expose a Fund to the credit risk of its counterparty. In the event the counterparty to such a derivative instrument becomes insolvent, a Fund potentially could lose all or a large portion of its investment in the derivative instrument. In addition, OTC derivative instruments may be illiquid.

Investing for hedging purposes or to increase a Fund's return may result in certain additional transaction costs that may reduce the Fund's performance. In addition, when used for hedging purposes, no assurance can be given that each derivative position will achieve a close correlation with the security or currency that is the subject of the hedge, or that a particular derivative position will be available when sought by the Adviser. While hedging strategies involving derivatives can reduce the risk of loss, they can also reduce the opportunity for gain or even result in losses by offsetting favorable price movements in other Fund investments. Certain derivatives may create a risk of loss greater than the amount invested.

It is possible that additional government regulation of various types of derivative instruments, including futures, options and swap agreements, and regulation of certain market participants' use of the same, may limit or prevent a Fund from using such instruments as a part of its investment strategy. It is not possible to fully predict the effects of current or future legislation and regulation by multiple regulators in this area, but the effects could be substantial and adverse. The futures, options and swaps markets are subject to comprehensive statutes, regulations, and margin requirements. Rule 18f-4 under the 1940 Act imposes limits on the amount of derivatives transactions a fund can enter into and requires funds whose use of derivatives is more than a limited specified exposure to establish and maintain a comprehensive derivatives risk management program and appoint a derivatives risk manager. Under Rule 18f-4, a Fund's derivatives exposure is limited through a value-at-risk test and requires the adoption and implementation of a derivatives risk management program for certain derivatives users. However, subject to certain conditions, Funds that do not invest heavily in derivatives may be deemed limited derivatives users and would not be subject to the full requirements of Rule 18f-4. Under the rule, when a Fund trades reverse repurchase agreements or similar financing transactions, including certain tender option bonds, it needs to aggregate the amount of indebtedness associated with the reverse repurchase agreements or similar financing transactions with the aggregate amount of any other senior securities representing indebtedness when calculating the Fund's asset coverage ratio or treat all such transactions as derivatives transactions. In addition, under the rule, the Fund is permitted to invest in a security on a when-issued or forward-settling basis, or with a non-standard settlement cycle, and the transaction will

be deemed not to involve a senior security (as defined under Section 18(g) of the 1940 Act), provided that, (i) the Fund intends to physically settle the transaction and (ii) the transaction will settle within 35 days of its trade date (the "Delayed-Settlement Securities Provision"). A Fund may otherwise engage in when-issued, forward-settling and non-standard settlement cycle securities transactions that do not meet the conditions of the Delayed-Settlement Securities Provision so long as a Fund treats any such transaction as a "derivatives transaction" for purposes of compliance with the rule. Furthermore, under the rule, a Fund is permitted to enter into an unfunded commitment agreement, and such unfunded commitment agreement will not be subject to the asset coverage requirements under the 1940 Act, if a Fund reasonably believes, at the time it enters into such agreement, that it will have sufficient cash and cash equivalents to meet its obligations with respect to all such agreements as they come due. These requirements may limit the ability of a Fund to use derivatives, and reverse repurchase agreements and similar financing transactions as part of its investment strategies. These requirements may increase the cost of a Fund's investments and cost of doing business, which could adversely affect investors. The Fund's implementation of Rule 18f-4 is limited by its fundamental investment restrictions.

In addition, the SEC, CFTC and the exchanges are authorized to take extraordinary actions in the event of a market emergency, including, for example, the implementation or reduction of speculative position limits, the implementation of higher margin requirements, the establishment of daily price limits and the suspension of trading. The regulation of futures, options and swaps transactions in the United States is a changing area of law and is subject to modification by government and judicial action.

**Swaps**

Certain Funds may engage in swap transactions, including OTC swaps. OTC swaps are bilateral contracts entered into primarily by institutional investors for periods ranging from a few weeks to more than one year. In a standard OTC swap transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular predetermined investments or instruments. Whether a Fund's use of swaps will be successful will depend on the Adviser's or Sub-Adviser's ability to predict correctly whether certain types of investments are likely to produce greater returns than other investments. Moreover, a Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty. Swaps are highly specialized instruments that require investment techniques, risk analyses, and tax planning different from those associated with traditional investments. The use of a swap requires an understanding not only of the reference asset, reference rate, or index but also of the swap itself, without the benefit of observing the performance of the swap under all possible market conditions. Additionally, because OTC swaps are bilateral contracts, they may be subject to contractual restrictions on transferability and termination.

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") and related regulatory developments require the clearing and exchange-trading of certain standardized OTC derivative instruments that the CFTC and SEC have defined as "swaps" and "security-based swaps." The CFTC has implemented mandatory exchange-trading and clearing requirements under the Dodd-Frank Act and the CFTC continues to approve contracts for central clearing. Central clearing is designed to reduce counterparty credit risk compared to uncleared OTC swaps because central clearing interposes the central clearinghouse as the counterparty to each participant's swap, but it does not eliminate those risks completely. Uncleared swaps and uncleared security-based swaps are subject to certain margin requirements that mandate the posting and collection of minimum margin amounts on certain uncleared transactions, which may result in the Fund and its counterparties posting higher margin amounts for uncleared swaps and uncleared security-based swaps than would otherwise be the case.

**Credit Default Swaps**

**General**

Certain Funds may utilize credit default swaps (CDS). This may be in the form of swaps on individual companies or CDS indices. These Funds may use CDS to gain long or short exposure to the underlying credit and/or index of credits.

A CDS contract is an agreement between the Fund and a counterparty that enables the Fund to buy or sell protection against a credit event related to a particular issuer. One party, acting as a "protection buyer," makes periodic

payments to the other party, a "protection seller," in exchange for a promise by the protection seller to make a payment to the protection buyer if a negative credit event (such as a delinquent payment or default) occurs with respect to a referenced bond or group of bonds. CDS contracts may also be structured based on the debt of a basket of issuers, rather than a single issuer, and may be customized with respect to the default event that triggers purchase or other factors (for example, the Nth default within a basket, or defaults by a particular combination of issuers within the basket, may trigger a payment obligation). The Fund may enter into CDS contracts for investment purposes. As a credit protection seller in a CDS contract, the Fund would be required to pay the par (or other agreed-upon) value of a referenced debt obligation to the counterparty in the event of a default by a third party, such as a U.S. or non-U.S. corporate issuer, on the debt obligation. In return for its obligation, the Fund would receive from the counterparty a periodic stream of payments over the term of the contract provided that no event of default has occurred. If no default occurs, the Fund would keep the stream of payments and would have no payment obligations. As the seller, the Fund would be subject to investment exposure on the notional amount of the swap.

**Risks of Credit Default Swaps**

The Brown Advisory Sustainable Bond Fund may also purchase CDS contracts in order to hedge against the risk of default of the debt of a particular issuer or basket of issuers or profit from changes in the creditworthiness of the particular issuer(s) (also known as "buying credit protection"). In these cases, the Fund would function as the counterparty referenced in the preceding paragraph. This would involve the risk that the investment may expire worthless and would only generate income in the event of an actual default by the issuer(s) of the underlying obligation(s) (or, as applicable, a credit downgrade or other indication of financial instability). It would also involve the risk that the seller may fail to satisfy its payment obligations to the Fund in the event of a default. The purchase of CDS contracts involves costs, which will reduce the Fund's return.

**Options and Futures**

**General**

Each Fund may (1) purchase or write options on securities in which it may invest or on market indices based in whole or in part on the securities in which it may invest; (2) invest in futures contracts on market indices based in whole or in part on securities in which it may invest; and (3) purchase or write put and call options on these futures contracts. The Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund, Brown Advisory Tax-Exempt Sustainable Bond Fund and the Brown Advisory Sustainable International Leaders Fund may invest in futures contracts on indices based in whole or in part on the securities in which it may invest including municipal bond futures and Treasury bond and note futures. A Fund will participate in such transactions to enhance the Fund's performance or hedge against a decline in the value of securities owned by the Fund or an increase in the price of securities that the Fund plans to purchase.

Options purchased or written by a Fund must be traded on an exchange or over-the-counter. Options and futures contracts are considered to be derivatives. Use of these instruments, including the exchanges on which they are traded, is subject to regulation by the SEC and CFTC, as applicable. No assurance can be given that any hedging or income strategy will achieve its intended result.

Each Fund may invest more than 5% of their respective net assets in options and futures for purposes of achieving their investment objective, portfolio management, risk mitigation, hedging, equitizing cash or for purposes of enhancing total return.

To the extent that a Fund uses futures and/or options on futures and/or swaps, it will do so in accordance with Rule 4.5 under the Commodity Exchange Act ("CEA").

**Options and Futures Contracts**

**Options on Securities.** A call option is a contract under which the purchaser of the call option, in return for a premium paid, has the right to buy the security (or index) underlying the option at a specified price at any time during the term of the option. The writer of the call option, who receives the premium, has the obligation upon exercise of the option to deliver the underlying security against payment of the exercise price. A put option gives its

purchaser, in return for a premium, the right to sell the underlying security at a specified price during the term of the option. The writer of the put, who receives the premium, has the obligation to buy, upon exercise of the option, the underlying security (or a cash amount equal to the value of the index) at the exercise price. The amount of a premium received or paid for an option is based upon certain factors including the market price of the underlying security, the relationship of the exercise price to the market price, the historical price volatility of the underlying security, the option period and interest rates.

**Options on Stock Indices.** A stock index assigns relative values to the stock included in the index, and the index fluctuates with changes in the market values of the stocks included in the index. Stock index options operate in the same way as the more traditional options on securities except that stock index options are settled exclusively in cash and do not involve delivery of securities. Thus, upon exercise of stock index options, the purchaser and writer of the option will exchange an amount based on the differences between the exercise price and the closing price of the stock index.

**Options on Foreign Currency (Brown Advisory Small-Cap Fundamental Value Fund, Brown Advisory Sustainable Small-Cap Core Fund, Brown Advisory Global Leaders Fund, Brown Advisory Mortgage Securities Fund, Brown Advisory – WMC Strategic European Equity Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Emerging Markets Select Fund, Brown Advisory Sustainable International Leaders Fund, and Brown Advisory – WMC Japan Equity Fund).**
Options on foreign currency operate in the same way as more traditional options on securities except that currency options are settled exclusively in the currency subject to the option. The value of a currency option is dependent upon the value of the currency relative to the U.S. dollar and has no relationship to the investment merits of a foreign security. Because foreign currency transactions occurring in the interbank market involve substantially larger amounts than those that may be involved in the use of foreign currency options, a Fund may be disadvantaged by having to deal in an odd lot market (generally consisting in transactions of less than $1 million) for the underlying currencies at prices that are less favorable than round lots. To the extent that the U.S. options markets are closed while the market for the underlying currencies are open, significant price and rate movements may take place in the underlying markets that cannot be reflected in the options markets.

**Options on Futures**. Options on futures contracts are similar to options on securities except that an option on a futures contract gives the purchaser the right, in return for the premium paid, to assume a position in a futures contract rather than to purchase or sell a security, at a specified exercise price at any time during the period of the option. Upon exercise of the option, the delivery of the futures position to the holder of the option will be accompanied by transfer to the holder of an accumulated balance representing the amount by which the market price of the futures contract exceeds, in the case of a call, or is less than, in the case of a put, the exercise price of the option on the future.

**Futures Contracts and Index Futures Contracts.** A futures contract is a bilateral agreement where one party agrees to accept, and the other party agrees to make, delivery of cash or an underlying asset, as called for in the contract, at a specified date and at an agreed upon price.

An index futures contract involves the delivery of an amount of cash equal to a specified dollar amount multiplied by the difference between the index value at the close of trading of the contract and at the price designated by the futures contract. No physical delivery of the securities comprising the index is made. Generally, these futures contracts are closed out prior to the expiration date of the contracts.

A municipal bond futures contract is based on the value of the Bond Buyer Index ("BBI") which is comprised of 40 actively traded general obligation and revenue bonds. The rating of a BBI issue must be at least "A." To be considered, the issue must have at least 19 years remaining to maturity, a first call date between 7 and 16 years, and at least one call at par prior to redemption. No physical delivery of the securities is made in connection with municipal bond futures. Rather these contracts are usually settled in cash if they are not closed out prior to their expiration date.

A Treasury bond futures contract is based on the value of an equivalent 20-year, 6% Treasury bond. Generally, any Treasury bond with a remaining maturity or term to call of 15 years as of the first day of the month in which the contracts are scheduled to be exercised will qualify as a deliverable security pursuant to a Treasury bond futures contract. A Treasury note futures contract is based on the value of an equivalent 10-year, 6% Treasury note.

Generally, any Treasury note with a remaining maturity or term to call of 6 1/2 years or 10 years, respectively, as of the first day of the month in which the contracts are scheduled to be exercised will qualify as a deliverable security pursuant to Treasury note futures contract.

Since a number of different Treasury notes will qualify as a deliverable security upon the exercise of the option, the price that the buyer will actually pay for those securities will depend on which Treasury notes are actually delivered. Normally, the exercise price of the futures contract is adjusted by a conversion factor that takes into consideration the value of the deliverable security if it were yielding 6% as of the first day of the month in which the contract is scheduled to be exercised.

**Risks of Options and Futures Transactions**

There are certain investment risks associated with options and futures transactions. These risks include: (1) dependence on the Adviser's or Sub-Adviser's ability to predict movements in the prices of individual securities and fluctuations in the general securities markets; (2) imperfect correlation between movements in the prices of options or futures contracts and movements in the price of the securities (or indices) underlying the instrument; (3) the fact that the skills and techniques needed to trade these instruments are different from those needed to select the securities in which a Fund invests; and (4) lack of assurance that a liquid secondary market will exist for any particular instrument at any particular time, which, among other things, may hinder a Fund's ability to limit exposures by closing its positions. The potential loss to a Fund from investing in certain types of futures transactions is unlimited.

Other risks include the inability of a Fund, as the writer of covered call options, to benefit from any appreciation of the underlying securities above the exercise price, and the possible loss of the entire premium paid for options purchased by a Fund. In addition, the futures exchanges may limit the amount of fluctuation permitted in certain futures contract prices or related options during a single trading day. A Fund may be forced, therefore, to liquidate or close out a futures contract position at a disadvantageous price. There is no assurance that a counterparty in an over-the-counter option transaction will be able to perform its obligations. A Fund may use various futures contracts that are relatively new instruments without a significant trading history. As a result, there can be no assurance that an active secondary market in those contracts will develop or continue to exist. A Fund's activities in the futures and options markets may result in higher portfolio turnover rates and additional brokerage costs, which could reduce a Fund's yield.

**Short Sales**

Each Fund may make short sales as a part of overall portfolio management or to offset a potential decline in the value of a security. A short sale involves the sale of a security that the Fund does not own, or if the Fund owns the security, is not to be delivered upon consummation of the sale. When the Fund makes a short sale of a security that it does not own, it must borrow from a broker-dealer the security sold short and deliver the security to the broker-dealer upon conclusion of the short sale.

If the price of the security sold short increases between the time of the short sale and the time the Fund replaces the borrowed security, the Fund will incur a loss; conversely, if the price declines, the Fund will realize a short-term capital gain. Although the Fund's gain is limited to the price at which it sold the security short, its potential loss is theoretically unlimited.

Each Fund will fully-collateralize its shorts sales.

Typically, a Fund will only make short sales "against the box," which occurs when the Fund enters into a short sale transaction with respect to a security it either owns or has the right to obtain at no additional cost. However, with respect to each Fund the dollar amount of short sales at any one time (not including short sales against the box) may not exceed 25% of the net assets of the Fund, and it is expected that normally the dollar amount of such sales will not exceed 10% of the net assets of the Fund.

**Participatory Notes**

The Brown Advisory Global Leaders Fund, Brown Advisory – WMC Strategic European Equity Fund, and Brown Advisory Emerging Markets Select Fund may invest in participatory notes which are issued by banks or broker-dealers and that are designed to replicate the performance of certain corporate issuers and markets. Participatory notes are a type of equity-linked derivative which generally are traded over-the-counter. The performance results of participatory notes will not replicate exactly the performance of the corporate issuers or markets that the notes seek to replicate due to transaction costs and other expenses. Investments in participatory notes involve the same risks associated with a direct investment in the shares of the companies the notes seek to replicate. The holder of a participatory note that is linked to a particular underlying security or instrument may be entitled to receive any dividends paid in connection with that underlying security or instrument, but typically does not receive voting rights as is would if it directly owned the underlying security or instrument. In addition, participatory notes are subject to counterparty risk, which is the risk that the broker-dealer or bank that issues the notes will not fulfill its contractual obligation to complete the transaction with the Fund. Participatory notes constitute general unsecured contractual obligations of the banks or broker-dealers that issue them, and the Fund is relying on the creditworthiness of such banks or broker-dealers and has no rights under a participatory note against the issuers of the securities underlying such participatory notes. Participatory notes involve transaction costs. Participatory notes may be considered illiquid and, therefore, participatory notes considered illiquid will be subject to the Fund's percentage limitation for investments in illiquid securities.

**Illiquid and Restricted Securities**

**Illiquid Investments.** A Fund may not acquire any illiquid investment if, immediately after the acquisition, the Fund would have invested more than 15% of its net assets in illiquid investments that are assets. An "illiquid investment" is any investment that may not reasonably be expected to be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment. The Adviser will monitor the amount of illiquid investments in each Fund's portfolio, under the supervision of the Board, to ensure compliance with the Fund's investment restrictions. If securities that were liquid at the time of purchase subsequently become illiquid and result in the Fund holding illiquid investments in excess of 15% of its net assets, the Fund will no longer purchase additional illiquid investments and will reduce its holdings of illiquid investments in an orderly manner, but it is not required to dispose of illiquid holdings immediately if it is not in the interest of the Fund.

Historically, illiquid investments have included securities subject to contractual or legal restrictions on resale because they have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), securities which are otherwise not readily marketable and repurchase agreements having a maturity of longer than seven days. As described below, in some cases, securities subject to legal or contractual restrictions on resales may not be deemed to be illiquid (see "Restricted Securities" below). Mutual funds do not typically hold a significant amount of these illiquid securities because of the potential for delays on resale and uncertainty in valuation. Limitations on resale may have an adverse effect on the marketability of portfolio securities, and a Fund might be unable to dispose of illiquid investment promptly or at reasonable prices and might thereby experience difficulty satisfying redemption requests within seven days.

The Funds have adopted a liquidity risk management program (the "LRM Program") pursuant to which each Fund identifies illiquid investments. Under the LRM Program, the Adviser has been designated to administer the LRM Program and the Adviser has in turn delegated certain responsibilities to a Liquidity Risk Management Committee, which is comprised of certain operations, compliance, trading, and portfolio management representatives of the Adviser. The Adviser preliminarily identifies illiquid investments based on, among other things, the trading characteristics and market depth of a particular investment.

The Adviser classifies all portfolio holdings of a Fund at least monthly into one of four liquidity classifications pursuant to the procedure set forth in the LRM Program. The liquidity classifications, which are defined in Rule 22e-4 under the 1940 Act, are highly liquid, moderately liquid, less liquid, and illiquid investments. In determining these classifications, the Adviser will consider the relevant market, trading, and investment-specific considerations for a particular investment. Moreover, in making such classification determinations, the Adviser must determine whether trading varying portions of a position in a particular portfolio investment or asset class would be reasonably

expected to significantly affect a Fund's liquidity. In addition, the Adviser may also consider the following factors in its liquidity determinations: (i) the existence of an active market; (ii) whether the investment is exchange-traded; (iii) frequency of trades or quotes and average daily trading volume; (iv) volatility of trading prices; (v) bid-ask spreads; (vi) whether the asset has a relatively standardized and simple structure; (vii) the maturity and date of issue (as applicable); and (viii) any restrictions on transfer.

**Restricted Securities.** The Funds may invest in securities that are subject to restrictions on resale because they have not been registered under the Securities Act. These securities are sometimes referred to as private placements. Although securities which may be resold only to "qualified institutional buyers" in accordance with the provisions of Rule 144A under the Securities Act are technically considered "restricted securities," the Funds may purchase Rule 144A securities without regard to the limitation on investments in illiquid securities described above in the "Illiquid Investments" section, provided that a determination is made that such securities have a readily available trading market. The Funds may also purchase certain commercial paper issued in reliance on the exemption from regulations in Section 4(a)(2) of the Securities Act ("4(a)(2) Paper"). The Adviser and/or Sub-Advisers, as appropriate, will determine the liquidity of Rule 144A securities and 4(a)(2) Paper under the supervision of the Adviser and the Board. The liquidity of Rule 144A securities and 4(a)(2) Paper will be monitored by the Adviser and/or Sub-Advisers, as appropriate, and if as a result of changed conditions it is determined that a Rule 144A security or 4(a)(2) Paper is no longer liquid, a Fund's holdings of illiquid securities will be reviewed to determine what action, if any, is appropriate. A Fund may determine that it is appropriate to continue to hold such instrument for a period of time to avoid a distressed sale which would be harmful to shareholders.

Limitations on the resale of restricted securities may have an adverse effect on the marketability of portfolio securities and a Fund might be unable to dispose of restricted securities promptly or at reasonable prices and might thereby experience difficulty satisfying redemption requirements. A Fund might also have to register such restricted securities in order to dispose of them, resulting in additional expense and delay. Adverse market conditions could impede such a public offering of securities.

**Determination of Liquidity**

The Board has the ultimate responsibility for determining whether specific securities are liquid or illiquid and has delegated the function of making determinations of liquidity to the Valuation Committee and the Adviser, pursuant to guidelines approved by the Board. The Adviser and/or the Sub-Advisers (under the supervision of the Adviser), determines and monitors the liquidity of the portfolio securities and reports periodically on their decisions to the Board. In making such determinations they take into account a number of factors in reaching liquidity decisions, including but not limited to: (1) the frequency of trades and quotations for the security; (2) the number of dealers willing to purchase or sell the security and the number of other potential buyers; (3) the willingness of dealers to undertake to make a market in the security; and (4) the nature of the marketplace trades, including the time needed to dispose of the security, the method of soliciting offers and the mechanics of the transfer.

Private placement and other restricted securities may be considered illiquid securities as they typically are subject to restrictions on resale as a matter of contract or under federal securities laws. Restricted securities that are "illiquid" are subject to the Fund's policy of not investing more than 15% of its net assets in illiquid securities. The Adviser and/or Sub-Advisers will evaluate the liquidity characteristics of restricted securities on a case-by-case basis and will consider the factors described above in connection with its evaluation.

An institutional market has developed for certain restricted securities. Accordingly, contractual or legal restrictions on the resale of a security may not be indicative of the liquidity of the security. If such securities are eligible for purchase by institutional buyers in accordance with Rule 144A under the 1933 Act or other exemptions, the Adviser and/or Sub-Advisers may determine that the securities are liquid.

**Risks.** Limitations on resale may have an adverse effect on the marketability of a security and the Fund might also have to register a restricted security in order to dispose of it, resulting in expense and delay. The Fund might not be able to dispose of private placements, restricted or illiquid securities promptly or at reasonable prices and might thereby experience difficulty satisfying redemption requests. There can be no assurance that a liquid market will exist for any security at any particular time. Any security, including securities determined by the Adviser to be liquid, can become illiquid.

## Investment Company Securities

### Open-End and Closed-End Investment Companies

**General.** Each Fund may invest in other open-end and closed-end investment companies consistent with the Fund's investment objectives and strategies. Each Fund may also invest in money market mutual funds, pending investment of cash balances. Each Fund will limit its investment in the securities of other open-end and closed-end investment companies to the extent permitted by the 1940 Act and the rules, regulations and exemptive orders thereuender. With certain exceptions, such provisions generally permit the Funds to invest up to 5% of their assets in another investment company, up to 10% of their assets in investment companies generally and hold up to 3% of the shares of another investment company, and may invest greater than 10% of their assets in other investment companies subject to applicable provisions of the 1940 Act and the rules adopted thereunder. The Funds' investment in other investment companies may include money market mutual funds, which are not subject to certain of the percentage limitations set forth above. The Funds may invest in investment companies in excess of the statutory limits imposed by the 1940 Act in reliance on Rule 12d1-4 under the 1940 Act. These investments in other investment companies are subject to the applicable conditions of Rule 12d1-4, which, among other things, imposes certain limits on the investments and operations of the underlying investment company (including such underlying fund's ability to invest in other investment companies and certain structured finance vehicles).

**Risks.** Each Fund, as a shareholder of another investment company, will bear its pro-rata portion of the other investment company's advisory fee and other expenses, in addition to its own expenses and will be exposed to the investment risks associated with the other investment company. To the extent that the Fund invests in closed-end companies that invest primarily in the common stock of companies located outside the United States, see the risks related to foreign securities set forth in the section entitled "Investment Policies and Risks – Equity Securities – Foreign Securities Risks" above.

## Exchange-Traded Funds and Exchange-Traded Notes

**General.** Each Fund may invest in exchange-traded funds ("ETFs"). ETFs are investment companies that are bought and sold on a securities exchange. An ETF represents a fixed portfolio of securities designed to track a particular market segment or index. Each Fund may also invest in exchange-traded notes ("ETNs"), which are structured debt securities. Whereas ETFs' liabilities are secured by their portfolio securities, ETNs' liabilities are unsecured general obligations of the issuer. Most ETFs and ETNs are designed to track a particular market segment or index. ETFs and ETNs have expenses associated with their operation, typically including, with respect to ETFs, advisory fees. When a Fund invests in an ETF or ETN, in addition to directly bearing expenses associated with its own operations, it will bear its pro rata portion of the ETF's or ETN's expenses. A Fund's investments in ETFs are also subject to the limitations on investments in other investment companies discussed above.

**Risks.** The risks of owning an ETF or ETN generally reflect the risks of owning the underlying market segment or index it is designed to track. Lack of liquidity in an ETF, however, could result in it being more volatile than the underlying portfolio of securities. In addition, a Fund will incur expenses in connection with investing in ETFs and ETNs that may increase the cost of investing in the ETF or ETN versus the cost of directly owning the securities in the ETF or an ETN. The value of an ETN security should also be expected to fluctuate with the credit rating of the issuer.

## Trust Securities and Unit Investment Trusts

**General.** The Funds may invest in trusts and unit investment trusts ("UITs"), including HOLDRS. HOLDRS are trust-issued receipts that represent beneficial ownership in the specific group of stocks held by the issuing trust. UITs are registered investment companies that are similarly unmanaged, or passively managed, and as such generally hold a static portfolio of securities, or track an index. The liabilities of trusts (including HOLDRS trusts) and UITs incur some expenses in connection with their operations; thus, when the Fund invests in a trust, HOLDR or UIT, in addition to directly bearing expenses associated with its own operations, it will bear its pro rata portion of the trust's, HOLDRS' or UIT's expenses. Like ETFs, HOLDRS are exchange-listed and, therefore, may be

purchased and sold on the secondary market. Each Fund will limit its investment in the securities of trusts and unit investment trusts to the extent permitted by the 1940 Act.

**Risks.** The risks of owning a trust security (including a HOLDR) or a UIT security generally reflect the risks of owning the securities in the trust or UIT's portfolio. Due to the unmanaged or passively managed nature of such vehicles, the relative weights of their portfolio securities may change over time, resulting in a change in the nature of the investment. In addition, due to the additional expenses associated with trusts (including HOLDRS trusts) and UITs, it may be more costly to own their securities than it would be directly to own their portfolio securities. In addition, there could be a lack of liquidity in the secondary market for HOLDRS, which could cause the market for HOLDRS to be more volatile than the market for the underlying portfolio securities.

**Other Pooled Investment Vehicles**

**General.** Each Fund may invest in pooled investment vehicles, including limited partnerships. Examples of such vehicles include private equity funds and private equity funds of funds. A private equity fund generally invests in non-public companies that the fund's manager believes will experience significant growth over a certain time period. A private equity fund of funds invests in other private equity funds of the type described. Investments in private equity funds, once made, typically may not be redeemed for several years, though they may be sold to other investors under certain circumstances. Each Fund will limit its investment in the securities of pooled investment vehicles, including limited partnerships, to the extent permitted by the 1940 Act.

**Risks.** To the extent that a Fund invests in Pooled Investment Vehicles, such investments generally will be deemed illiquid. (See "Illiquid and Restricted Securities" for the risks of investing in illiquid securities above). If such an investment is determined by the Adviser or Sub-Adviser to be illiquid, it is subject to each Fund's policy of not investing more than 15% of its net assets in illiquid securities. In addition, a Fund will bear its ratable share of such vehicles' expenses, including its management expenses and performance fees. Performance fees are fees paid to the vehicle's manager based on the vehicle's investment performance (or returns) as compared to some benchmark. The fees a Fund pays to invest in a Pooled Investment Vehicle may be higher than the fees it would pay if the manager of the Pooled Investment Vehicle managed the Fund's assets directly. Further, the performance fees payable to the manager of a Pooled Investment Vehicle may create an incentive for the manager to make investments that are riskier or more speculative than those it might make in the absence of an incentive fee.

**Fixed Income Securities**

**Municipal Securities**

**General.** The Brown Advisory Intermediate Income Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund, Brown Advisory Tax-Exempt Sustainable Bond Fund, and Brown Advisory Mortgage Securities Fund may invest in municipal securities. Municipal securities are issued by the states, territories and possessions of the United States, their political subdivisions (such as cities, counties and towns) and various authorities (such as public housing or redevelopment authorities), instrumentalities, public corporations and special districts (such as water, sewer or sanitary districts) of the states, territories, and possessions of the United States or their political subdivisions. In addition, municipal securities include securities issued by or on behalf of public authorities to finance various privately operated facilities, such as industrial development bonds, that are backed only by the assets and revenues of the non-governmental user (such as hospitals and airports). The Brown Advisory Intermediate Income Fund, the Brown Advisory Maryland Bond Fund, the Brown Advisory Tax-Exempt Bond Fund and the Brown Advisory Tax-Exempt Sustainable Bond Fund may invest up to 5% of their total assets in municipal securities of issuers located in any one territory or possession of the United States. The Brown Advisory Tax-Exempt Bond Fund and the Brown Advisory Tax-Exempt Sustainable Bond Fund will not invest in municipal securities rated "B" or lower by an NRSRO (or if unrated, determined by the Adviser to be of comparable quality) at the time of purchase.

Municipal securities are issued to obtain funds for a variety of public purposes, including general financing for state and local governments, or financing for specific projects or public facilities. Municipal securities are classified as general obligation or revenue bonds or notes. General obligation securities are secured by the issuer's pledge of its full faith, credit and taxing power for the payment of principal and interest. Revenue securities are payable from

revenue derived from a particular facility, class of facilities, or the proceeds of a special excise tax or other specific revenue source, but not from the issuer's general taxing power. The Fund will not invest more than 25% of its total assets in a single type of revenue bond. Private activity bonds and industrial revenue bonds do not carry the pledge of the credit of the issuing municipality, but generally are guaranteed by the corporate entity on whose behalf they are issued.

Municipal leases are entered into by state and local governments and authorities to acquire equipment and facilities such as fire and sanitation vehicles, telecommunications equipment, and other assets. Municipal leases (which normally provide for title to the leased assets to pass eventually to the government issuer) have evolved as a means for governmental issuers to acquire property and equipment without meeting the constitutional and statutory requirements for the issuance of debt. The debt-issuance limitations of many state constitutions and statutes are deemed to be inapplicable because of the inclusion in many leases or contracts of "non-appropriation" clauses that provide that the governmental issuer has no obligation to make future payments under the lease or contract unless money is appropriated for such purpose by the appropriate legislative body on a yearly or other periodic basis.

**Maryland Municipal Securities.** The Brown Advisory Maryland Bond Fund invests at least 80% of the value of its net assets (plus borrowing for investments purposes) in Maryland bonds, including bonds issued on behalf of the state of Maryland, its local government and public financing authorities.

The Brown Advisory Maryland Bond Fund may invest up to 5% of its total assets in municipal securities of issuers located in any one territory or possession of the United States. The Fund will not invest in municipal securities rated 'B' or lower by an NRSRO at the time of purchase.

**Tender Option Bond Securities**. The Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund, and Brown Advisory Tax-Exempt Sustainable Bond Fund may invest in tender option bond ("TOB") securities. In a typical TOB transaction, a Fund or another party deposits fixed-rate municipal bonds or other securities into a special purposes entity, referred to as a tender option bond trust (a "TOB Trust"). The TOB Trust generally issues short-term floating rate interests ("Floaters"), which are generally sold to third party investors (often money market funds) and residual interests ("Residual Interests"), which are generally held by the Fund or party that contributed the securities to the TOB Trust. The interest rates payable on the Residual Interests bear an inverse relationship to the interest rate on the Floaters. The interest rate on the Floaters is reset by a remarketing process typically every 7 to 35 days. After income is paid on the Floaters at current, short-term rates, the residual income from the underlying bond held by the TOB Trust goes to the Residual Interests. If a Fund is the depositor of the municipal bonds or other securities to the TOB Trust, the Fund will receive the proceeds from the TOB Trust's sale of the Floaters, less certain transaction costs. These proceeds may be used by the Fund to invest in other securities, which would have a leveraging effect on the Fund. Each Fund does not currently intend to invest in Residual Interests issued by a TOB Trust that was not formed for the Fund, although each Fund reserves the right to do so in the future. Each of the Brown Advisory Maryland Bond Fund, the Brown Advisory Tax-Exempt Bond Fund and the Brown Advisory Tax-Exempt Sustainable Bond Fund may invest up to 5% of its net assets in TOB Trust-related investments.

Residual Interests may be more volatile and less liquid than other municipal bonds of comparable maturity. In most circumstances, the holder of the Residual Interests bears substantially all of the underlying bond's downside investment risk and also benefits from any appreciation in the value of the underlying bond. Investments in Residual Interests typically will involve greater risk than investments in the underlying municipal bond, including the risk of loss of principal. Because changes in the interest rate on the Floaters inversely affect the residual interest paid on the Residual Interests, the value of the Residual Interests is generally more volatile than that of a fixed-rate municipal bond. Floaters and Residual Interests are subject to interest rate adjustment formulas which generally reduce or, in the extreme, eliminate the interest received by the Residual Interests when short-term interest rates rise, and increase the interest received when short-term interest rates fall.

The Residual Interests held by a Fund provide the Fund with the right to: (1) cause the holders of the Floaters to tender their notes at par, and (2) cause the sale of the underlying bond held by the TOB Trust, thereby collapsing the TOB Trust. A Fund may invest in a TOB Trust on either a non-recourse and recourse basis. Each Fund does not currently intend to invest in a TOB Trust on a recourse basis, although each Fund reserves the right to do so in the future. TOB Trusts are typically supported by a liquidity facility provided by a third-party bank or other financial

institution (the "Liquidity Provider") that allows the holders of the Floaters to tender their Floaters in exchange for payment of par plus accrued interest on any business day (subject to the non-occurrence of a TOTE, as such term is defined below). Depending on the structure of the TOB Trust, the Liquidity Provider may purchase the tendered Floaters, or the TOB Trust may draw upon a loan from the Liquidity Provider to purchase the tendered Floaters.

When a Fund invests in TOB Trusts on a non-recourse basis, and the Liquidity Provider is required to make a payment under the liquidity facility, the Liquidity Provider will typically liquidate all or a portion of the municipal bonds held in the TOB Trust and then fund the balance, if any, of the amount owed under the liquidity facility over the liquidation proceeds (the "Liquidation Shortfall"). If a Fund invests in a TOB Trust on a recourse basis, it will typically enter into a reimbursement agreement with the Liquidity Provider pursuant to which the Fund is required to reimburse the Liquidity Provider the amount of any Liquidation Shortfall. As a result, if the Fund invests in a recourse TOB Trust, the Fund will bear the risk of loss with respect to any Liquidation Shortfall.

The TOB Trust may also be collapsed without the consent of a Fund, as the holder of the Residual Interest, upon the occurrence of certain "tender option termination events" (or "TOTEs") as defined in the TOB Trust agreements. Such termination events typically include the bankruptcy or default of the municipal bond, a substantial downgrade in credit quality of the municipal bond, or a judgment or ruling that interest on the underlying municipal bond is subject to federal income taxation. Upon the occurrence of a TOTE, the TOB Trust would generally be liquidated in full with the proceeds typically applied first to any accrued fees owed to the trustee, remarketing agent and liquidity provider, and then to the holders of the Floaters up to par plus accrued interest owed on the Floaters and a portion of gain share, if any, with the balance paid out to the holder of the Residual Interests. In the case of a mandatory termination event, as defined in the TOB Trust agreements, after the payment of fees, the holders of the Floaters would be paid before the holders of the Residual Interests (*i.e.*, the Fund). In contrast, in the case of a TOTE, after payment of fees, the holders of the Floaters and the holders of the Residual Interests would be paid pro rata in proportion to the respective face values of their certificates.

Under accounting rules, securities of a Fund that are deposited into a TOB Trust are treated as investments of the Fund, and are presented on the Fund's Schedule of Investments and outstanding Floaters issued by a TOB Trust are presented as liabilities in the Fund's Statement of Assets and Liabilities. Interest income from the underlying security is recorded by the Fund on an accrual basis. Interest expense incurred on the Floaters and other expenses related to remarketing, administration and trustee services to a TOB Trust are reported as expenses of the Fund. In addition, under accounting rules, loans made to a TOB Trust sponsored by a Fund may be presented as loans of the Fund in the Fund's financial statements even if there is no recourse with respect to the Fund's assets.

Interests in Residual Interests in which a Fund will invest will pay interest or income that, in the opinion of counsel to the Funds, is exempt from regular U.S. Federal income tax. Neither the Funds, nor the Adviser, will conduct its own analysis of the tax status of the interest or income paid by the Residual Interests held by a Fund, but will rely on the opinion of counsel to the Funds. There can be no assurances that the IRS will agree with such counsel's opinion and, accordingly, there is a risk that the IRS may find that the Fund is not the owner of the underlying municipal bond and that the Fund is therefore not entitled to treat such interest or income as exempt from U.S. Federal income tax. Moreover, the U.S. Federal income tax treatment of certain other aspects of TOB Trust-related investments is uncertain.

**Green Bonds**. The Funds may invest in issuers financing projects that are intended or expected to have a positive environmental impact. Certain sectors may be more likely to issue green bonds, and events or factors impacting these sectors may have a greater effect on a Fund than they would on a fund that does not invest in issuers with a common purpose. In addition, a Fund may invest in a blue bond, a subset of green bonds, which finance projects that are intended to protect marine and freshwater sources as well as support sustainable "blue economy" activities. The criteria for what qualifies a bond as green or blue may be determined differently by various parties and there may be disagreement whether and to what extent particular projects would be environmentally beneficial.

**U.S. Government Securities**

**General.** Each Fund may invest in U.S. Government Securities. U.S. Government Securities include securities issued by the U.S. Treasury and by U.S. Government agencies and instrumentalities. U.S. Government Securities may be supported by the full faith and credit of the United States; by the right of the issuer to borrow from the U.S.

Treasury; by the discretionary authority of the U.S. Treasury to lend to the issuer; or solely by the creditworthiness of the issuer. Holders of U.S. Government Securities not backed by the full faith and credit of the United States must look principally to the agency or instrumentality issuing the obligation for repayment and may not be able to assert a claim against the United States in the event that the agency or instrumentality does not meet its commitment. No assurance can be given that the U.S. Government would provide support if it were not obligated to do so by law. Neither the U.S. Government nor any of its agencies or instrumentalities guarantees the market value of the securities they issue. On September 7, 2008, the Federal Housing Finance Agency (the "FHFA") placed Fannie Mae and Freddie Mac into conservatorship, which, in effect, has caused Fannie Mae and Freddie Mac to become supported by the U.S. Government. No assurance can be given as to whether the U.S. Government will continue to support Fannie Mae and Freddie Mac.

Yields on short-, intermediate- and long-term U.S. government securities are dependent on a variety of factors, including the general conditions of the money and bond markets, the size of a particular offering and the maturity of the obligation. Debt securities with longer maturities tend to produce higher capital appreciation and depreciation than obligations with shorter maturities and lower yields. The market value of U.S. government securities generally varies inversely with changes in the market interest rates. An increase in interest rates, therefore, generally would reduce the market value of a Fund's portfolio investments in U.S. government securities, while a decline in interest rates generally would increase the market value of a Fund's portfolio investments in these securities.

**Corporate Debt Obligations**

**General.** Each Fund may invest in corporate debt obligations. Corporate debt obligations include corporate bonds, debentures, notes, commercial paper and other similar corporate debt instruments. These instruments are used by companies to borrow money from investors. The issuer pays the investor a fixed or variable rate of interest and must repay the amount borrowed at maturity. Commercial paper (short-term unsecured promissory notes) is issued by companies to finance their current obligations and normally has a maturity of less than 9 months. The Funds may also invest in corporate fixed income securities registered and sold in the U.S. by foreign issuers (Yankee bonds) and those sold outside the U.S. by foreign or U.S. issuers (Eurobonds).

**Mortgage-Backed Securities**

**General.** The Brown Advisory Intermediate Income Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund, Brown Advisory Tax-Exempt Sustainable Bond Fund, and Brown Advisory Mortgage Securities Fund may invest in mortgage-backed securities. Mortgage-backed securities represent interests in a pool of mortgage loans originated by lenders such as commercial banks, savings associations and mortgage bankers and brokers. Mortgage-backed securities may be issued by governmental or government-related entities or by non-governmental entities such as special purpose trusts created by commercial lenders.

Pools of mortgages consist of whole mortgage loans or participations in mortgage loans. The majority of these loans are made to purchasers of 1-4 family homes. The terms and characteristics of the mortgage instruments are generally uniform within a pool but may vary among pools. For example, in addition to fixed-rate, fixed-term mortgages, the Fund may purchase pools of adjustable-rate mortgages, growing equity mortgages, graduated payment mortgages and other types. Mortgage poolers apply qualification standards to lending institutions, which originate mortgages for the pools as well as credit standards and underwriting criteria for individual mortgages included in the pools. In addition, many mortgages included in pools are insured through private mortgage insurance companies.

Mortgage-backed securities differ from other forms of fixed income securities, which normally provide for periodic payment of interest in fixed amounts with principal payments at maturity or on specified call dates. Most mortgage-backed securities, however, are pass-through securities, which means that investors receive payments consisting of a pro-rata share of both principal and interest (less servicing and other fees), as well as unscheduled prepayments, as loans in the underlying mortgage pool are paid off by the borrowers. Additional prepayments to holders of these securities are caused by prepayments resulting from the sale or foreclosure of the underlying property or refinancing of the underlying loans. As prepayment rates of individual pools of mortgage loans vary widely, it is not possible to predict accurately the average life of a particular mortgage-backed security. Although mortgage-backed securities

are issued with stated maturities of up to forty years, unscheduled or early payments of principal and interest on the mortgages may shorten considerably the securities' effective maturities.

**Government and Agency Mortgage-Backed Securities.** Each Fund may invest in government agency and mortgage-backed securities. The principal issuers or guarantors of mortgage-backed securities are the Government National Mortgage Association ("GNMA"), Fannie Mae ("FNMA") and the Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"). GNMA, a wholly-owned U.S. Government corporation creates pass-through securities from pools of government guaranteed (Farmers' Home Administration, Federal Housing Authority or Veterans Administration) mortgages, thereby providing liquidity to the mortgage market and ensuring the timely payment of principal and interest to investors. The principal and interest on GNMA pass-through securities are backed by the full faith and credit of the U.S. Government.

FNMA and Freddie Mac are U.S. Government-sponsored corporations and are subject to regulation by the Office of Federal Housing Enterprise Oversight ("OFHEO"). Both issue pass-through securities from pools of conventional and Federally insured and/or guaranteed residential mortgages. FNMA guarantees full and timely payment of all interest and principal, and FHLMC guarantees timely payment of interest and ultimate collection of principal of its pass-through securities. Mortgage-backed securities from FNMA and FHLMC are not backed by the full faith and credit of the U.S. Government. The U.S. Department of the Treasury has the authority to support FNMA and FHLMC by purchasing limited amounts of their respective obligations, and the U.S. government has, in the past, provided financial support to FNMA and FHLMC with respect to their debt obligations. However, no assurance can be given that the U.S. government will always do so or would do so yet again. Congress has been considering proposals to reduce the U.S. Government's role in the mortgage market and whether to wind down Fannie Mae and Freddie Mac. The proposals include, among others, whether Fannie Mae and Freddie Mac should be nationalized, privatized, restructured or eliminated. The FHFA has announced plans to consider taking Fannie Mae and Freddie Mac out of conservatorship. It is unclear how the capital structure of Fannie Mae and Freddie Mac would be constructed post-conservatorship, and what effects, if any, the privatization of Fannie Mae and Freddie Mac will have on their creditworthiness and guarantees of certain mortgage-backed securities. Fannie Mae and Freddie Mac also are the subject of several continuing legal actions and investigations over certain accounting, disclosure and corporate governance matters, which may have an adverse effect on these entities. As a result, the future for Fannie Mae and Freddie Mac is uncertain, as is the impact of such proposals, actions and investigations on a Fund's investments in securities issued by Fannie Mae and Freddie Mac.

Except for U.S. Treasury securities, obligations of U.S. Government agencies and instrumentalities may or may not be supported by the full faith and credit of the United States. Some are backed by the right of the issuer to borrow from the Treasury; others by discretionary authority of the U.S. Government to purchase the agencies' obligations; while still others are supported only by the credit of the instrumentality. In the case of securities not backed by the full faith and credit of the United States, the investor must look principally to the agency or instrumentality issuing or guaranteeing the obligation for ultimate repayment and may not be able to assert a claim against the United States itself in the event the agency or instrumentality does not meet its commitment. Each Fund will invest in securities of such agencies or instrumentalities only when the Adviser and/or Sub-Advisers is satisfied that the credit risk is acceptable.

**Privately Issued Mortgage-Backed Securities.** The Brown Advisory Intermediate Income Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Tax-Exempt Sustainable Bond Fund, and Brown Advisory Mortgage Securities Fund may invest in privately issued mortgage-backed securities. Mortgage-backed securities offered by private issuers include pass-through securities consisting of pools of residential mortgage loans, mortgage-backed bonds, which are considered to be debt obligations of the institution issuing the bonds and are collateralized by mortgage loans; and bonds and collateralized mortgage obligations that may be collateralized by mortgage-backed securities issued by GNMA, FNMA or FHLMC or by pools of conventional mortgages of multi-family or of commercial mortgage loans.

Privately-issued mortgage-backed securities generally offer a higher rate of interest (but greater credit and interest rate risk) than securities issued by U.S. Government issuers because there are no direct or indirect governmental guarantees of payment. The market for privately-issued mortgage-backed securities is smaller and less liquid than the market for mortgage-backed securities issued by U.S. government issuers.

**Stripped Mortgage-Backed Securities.** The Brown Advisory Intermediate Income Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Tax-Exempt Sustainable Bond Fund, and Brown Advisory Mortgage Securities Fund may invest in stripped mortgage-backed securities. Stripped mortgage-backed securities are multi-class mortgage-backed securities that are created by separating the securities into their principal and interest components and selling each piece separately. Stripped mortgage-backed securities are usually structured with different classes that receive different proportions of the interest and principal distributions in a pool of mortgage assets.

**Collateralized Mortgage Obligations.** The Brown Advisory Intermediate Income Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Tax-Exempt Sustainable Bond Fund, and Brown Advisory Mortgage Securities Fund may invest in collateralized mortgage obligations ("CMOs") that are collateralized by mortgage-backed securities, including those issued by GNMA, FHLMC or FNMA ("Mortgage Assets"). CMOs are multiple-class debt obligations. Payments of principal and interest on the Mortgage Assets are passed through to the holders of the CMOs as they are received, although certain classes (often referred to as "tranches") of CMOs have priority over other classes with respect to the receipt of mortgage prepayments. Each tranche is issued at a specific or floating coupon rate and has a stated maturity or final distribution date. Interest is paid or accrues in all tranches on a monthly, quarterly or semi-annual basis. Payments of principal and interest on Mortgage Assets are commonly applied to the tranches in the order of their respective maturities or final distribution dates, so that generally, no payment of principal will be made on any tranche until all other tranches with earlier stated maturity or distribution dates have been paid in full.

**Risks – Specific to Mortgage-Backed Securities.** The value of mortgage-backed securities may be significantly affected by changes in interest rates, the markets' perception of issuers, the structure of the securities and the creditworthiness of the parties involved. The ability of the Fund to successfully utilize mortgage-backed securities depends in part upon the ability of the Adviser to forecast interest rates and other economic factors correctly. Some mortgage-backed securities have structures that make their reaction to interest rate changes and other factors difficult to predict.

Prepayments of principal of mortgage-backed securities by mortgagors or mortgage foreclosures affect the average life of the mortgage-backed securities. The occurrence of mortgage prepayments is affected by various factors, including the level of interest rates, general economic conditions, the location and age of the mortgages and other social and demographic conditions. In periods of rising interest rates, the prepayment rate tends to decrease, lengthening the average life of a pool of mortgage-backed securities. In periods of falling interest rates, the prepayment rate tends to increase, shortening the average life of a pool. The volume of prepayments of principal on the mortgages underlying a particular mortgage-backed security will influence the yield of that security, affecting the Fund's yield. Because prepayments of principal generally occur when interest rates are declining, it is likely that the Fund, to the extent it retains the same percentage of fixed income securities, may have to reinvest the proceeds of prepayments at lower interest rates than those of their previous investments. If this occurs, the Fund's yield will correspondingly decline. Thus, mortgage-backed securities may have less potential for capital appreciation in periods of falling interest rates (when prepayment of principal is more likely) than other fixed income securities of comparable duration, although they may have a comparable risk of decline in market value in periods of rising interest rates. A decrease in the rate of prepayments may extend the effective maturities of mortgage-backed securities, increasing their sensitivity to changes in market interest rates. To the extent that the Fund purchases mortgage-backed securities at a premium, unscheduled prepayments, which are made at par, result in a loss equal to an unamortized premium.

To the extent that a Fund invests in commercial mortgage-backed securities ("CMBS"), CMBS are subject to credit risk and prepayment risk. Although prepayment risk is present, it is of a lesser degree in CMBS than in the residential mortgage market; commercial real estate property loans often contain provisions which substantially reduce the likelihood that such securities will be prepaid (e.g., significant prepayment penalties on loans and, in some cases, prohibition on principal payments for several years following origination).

To lessen the effect of the failures by obligors on Mortgage Assets to make payments, CMOs and other mortgage-backed securities may contain elements of credit enhancement, consisting of either (1) liquidity protection; or (2) protection against losses resulting after default by an obligor on the underlying assets and allocation of all amounts recoverable directly from the obligor and through liquidation of the collateral. This protection may be

provided through guarantees, insurance policies or letters of credit obtained by the issuer or sponsor from third parties, through various means of structuring the transaction or through a combination of these. The Fund will not pay any additional fees for credit enhancements for mortgage-backed securities, although the credit enhancement may increase the costs of the mortgage-backed securities.

A Fund may manage counterparty exposure for forward-settling agency mortgage-backed securities ("MBS") transactions, including TBA purchase commitments, by requiring that such transactions be bilaterally margined.

**TBA Purchase Commitments.** The Brown Advisory Intermediate Income Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Tax-Exempt Sustainable Bond Fund, Brown Advisory Mortgage Securities Fund, and Brown Advisory – Beutel Goodman Large-Cap Value Fund may enter into "To Be Announced" ("TBA") purchase commitments to purchase mortgage-backed securities for a fixed price at a future date. TBA purchase commitments may be considered securities in themselves and involve a risk of loss if the value of the security to be purchased declines prior to settlement date, which risk is in addition to the risk of decline in the value of the Fund's other assets. In addition, the counterparty may not deliver the securities as promised. Unsettled TBA purchase commitments are valued at the current market value of the underlying securities. It may be expected that the Fund's net assets will fluctuate to a greater degree when it sets aside portfolio securities to cover such purchase commitments than when it sets aside cash. On delivery dates for such transactions, the Fund will meet its obligations from cash flow. If the Fund chooses to dispose of the TBA security prior to its settlement, it could, as with the disposition of any other portfolio obligation, incur a gain or loss due to market fluctuation.

**Asset-Backed Securities**

**General.** Each Fund may invest in asset-backed securities. Asset-backed securities have structural characteristics similar to mortgage-backed securities but have underlying assets that are not mortgage loans or interests in mortgage loans. Asset-backed securities represent fractional interests in, or are secured by and payable from, pools of assets such as motor vehicle installment sales contracts, installment loan contracts, leases of various types of real and personal property and receivables from revolving credit (for example, credit card) agreements. Assets are securitized through the use of trusts and special purpose corporations that issue securities that are often backed by a pool of assets representing the obligations of a number of different parties. Repayments relating to the assets underlying the asset-backed securities depend largely on the cash flows generated by such assets. The credit quality of most asset-backed securities depends primarily on the credit quality of the assets underlying such securities, how well the entity issuing the security is insulated from the credit risk of the originator or any other affiliated entities, and the amount and quality of any credit enhancements associated with the securities. Payments or distributions of principal and interest on asset-backed securities may be supported by credit enhancements including letters of credit, an insurance guarantee, reserve funds and over collateralization. Asset-backed securities have structures and characteristics similar to those of mortgage-backed securities and, accordingly, are subject to many of the same risks, although often, to a greater extent.

**Risks – Specific to Asset-Backed Securities.** Like mortgages-backed securities, the collateral underlying asset-backed securities are subject to prepayment, which may reduce the overall return to holders of asset-backed securities. Asset-backed securities present certain additional and unique risks. Primarily, these securities do not always have the benefit of a security interest in collateral comparable to the security interests associated with mortgage-backed securities. Credit card receivables are generally unsecured and the debtors are entitled to the protection of a number of state and Federal consumer credit laws, many of which give such debtors the right to set-off certain amounts owed on the credit cards, thereby reducing the balance due. Automobile receivables generally are secured by automobiles. Most issuers of automobile receivables permit the loan servicers to retain possession of the underlying obligations. If the servicer were to sell these obligations to another party, there is a risk that the purchaser would acquire an interest superior to that of the holders of the asset-backed securities. In addition, because of the large number of vehicles involved in a typical issuance and the technical requirements under state laws, the trustee for the holders of the automobile receivables may not have a proper security interest in the underlying automobiles. As a result, the risk that recovery on repossessed collateral might be unavailable or inadequate to support payments on asset-backed securities is greater for asset-backed securities than for mortgage-backed securities. In addition, because asset-backed securities are relatively new, the market experience in these securities is limited and the market's ability to sustain liquidity through all phases of an interest rate or economic cycle has not been tested.

**Variable Amount Master Demand Notes**

**General.** Each Fund may invest in variable amount master demand notes. Variable amount master demand notes are unsecured demand notes that permit investment of fluctuating amounts of money at variable rates of interest pursuant to arrangements with issuers who meet certain quality criteria. All variable amount master demand notes acquired by a Fund will be payable within a prescribed notice period not to exceed seven days.

**Variable and Floating Rate Securities**

Each Fund may invest in variable and floating rate securities. Fixed Income securities that have variable or floating rates of interest may, under certain limited circumstances, have varying principal amounts. These securities pay interest at rates that are adjusted periodically according to a specified formula, usually with reference to one or more interest rate indices or market interest rates (the "underlying index"). The interest paid on these securities is a function primarily of the underlying index upon which the interest rate adjustments are based. These adjustments minimize changes in the market value of the obligation. Similar to fixed rate debt instruments, variable and floating rate instruments are subject to changes in value based on changes in market interest rates or changes in the issuer's creditworthiness.

Variable and floating rate demand notes of corporations are redeemable upon a specified period of notice. These obligations include master demand notes that permit investment of fluctuating amounts at varying interest rates under direct arrangements with the issuer of the instrument. The issuer of these obligations often has the right, after a given period, to prepay the outstanding principal amount of the obligations upon a specified number of days' notice.

Certain securities may have an initial principal amount that varies over time based on an interest rate index, and, accordingly, the Fund might be entitled to less than the initial principal amount of the security upon the security's maturity. A Fund intends to purchase these securities only when the Adviser believes the interest income from the instrument justifies any principal risks associated with the instrument. The Adviser may attempt to limit any potential loss of principal by purchasing similar instruments that are intended to provide an offsetting increase in principal. There can be no assurance that the Adviser will be able to limit the effects of principal fluctuations and, accordingly, the Fund may incur losses on those securities even if held to maturity without issuer default.

There may not be an active secondary market for any particular floating or variable rate instruments, which could make it difficult for a Fund to dispose of the instrument during periods that the Fund is not entitled to exercise any demand rights it may have. The Fund could, for this or other reasons, suffer a loss with respect to those instruments. The Adviser monitors the liquidity of the Fund's investment in variable and floating rate instruments, but there can be no guarantee that an active secondary market will exist.

**Non-U.S. Dollar Denominated Securities and Other Fixed Income Securities**

Each Fund may invest in short-term money market instruments issued in the U.S. or abroad, denominated in U.S. dollars or any foreign currency. Short-term money market instruments include repurchase agreements, short-term fixed or variable rate certificates of deposit, time deposits with a maturity no greater than 180 days, bankers' acceptances, commercial paper rated A-1 by S&P or Prime-1 by Moody's or in similar other money market securities. Certificates of deposit represent an institution's obligation to repay funds deposited with it that earn a specified interest rate over a given period. Bankers' acceptances are negotiable obligations of a bank to pay a draft, which has been drawn by a customer, and are usually backed by goods in international trade. Time deposits are non-negotiable deposits with a banking institution that earn a specified interest rate over a given period. Certificates of deposit and time deposits generally may be withdrawn on demand by the Fund but may be subject to early withdrawal penalties that could reduce the Fund's performance.

Each Fund may also invest in other high quality fixed income securities denominated in U.S. dollars, any foreign currency or in a multi-national currency unit (e.g. the European Currency Unit).

Each Fund may invest in non-U.S. dollar denominated securities including debt obligations denominated in foreign or composite currencies (such as the European Currency Unit) issued by (1) foreign national, provincial, state or municipal governments or their political subdivisions; (2) international organizations designated or supported by governmental entities (e.g., the World Bank and the European Community); (3) non-dollar securities issued by the U.S. Government; and (4) foreign corporations.

**Inflation-Protected Securities.**

Each Fund may invest in U.S. Treasury Inflation Protected Securities ("U.S. TIPS"), to the extent permitted by the Prospectus. U.S. TIPS are fixed income securities issued by the U.S. Department of Treasury, the principal amounts of which are adjusted daily based upon changes in the rate of inflation. The Fund may also invest in other inflation-protected securities issued by non-U.S. governments or by private issuers. U.S. TIPS pay interest on a semi-annual basis, equal to a fixed percentage of the inflation-adjusted principal amount. The interest rate on these bonds is fixed at issuance, but over the life of the bond this interest may be paid on an increasing or decreasing principal value that has been adjusted for inflation.

Repayment of the original bond principal upon maturity (as adjusted for inflation) is guaranteed for U.S. TIPS, even during a period of deflation. However, because the principal amount of U.S. TIPS would be adjusted downward during a period of deflation, the Fund will be subject to deflation risk with respect to its investments in these securities. In addition, the current market value of the bonds is not guaranteed, and will fluctuate. If the Fund purchases in the secondary market U.S. TIPS whose principal values have been adjusted upward due to inflation since issuance, the Fund may experience a loss if there is a subsequent period of deflation. The Fund may also invest in other inflation-related bonds which may or may not provide a guarantee of principal. If a guarantee of principal is not provided, the adjusted principal value of the bond repaid at maturity may be less than the original principal amount.

The periodic adjustment of U.S. TIPS is currently tied to the Consumer Price Index for All Urban Consumers ("CPI-U"), which is calculated by the U.S. Department of Treasury. The CPI-U is a measurement of changes in the cost of living, made up of components such as housing, food, transportation and energy. Inflation-protected bonds issued by a non-U.S. government are generally adjusted to reflect a comparable inflation index, calculated by that government. There can no assurance that the CPI-U or any non-U.S. inflation index will accurately measure the real rate of inflation in the prices of goods and services. If interest rates rise due to reasons other than inflation (for example, due to changes in currency exchange rates), investors in these securities may not be protected to the extent that the increase is not reflected in the bond's inflation measure. In addition, there can be no assurance that the rate of inflation in a non-U.S. country will be correlated to the rate of inflation in the United States.

In general, the value of inflation-protected bonds is expected to fluctuate in response to changes in real interest rates, which are in turn tied to the relationship between nominal interest rates and the rate of inflation. Therefore, if inflation were to rise at a faster rate than nominal interest rates, real interest rates might decline, leading to an increase in value of inflation-protected bonds. In contrast, if nominal interest rates increased at a faster rate than inflation, real interest rates might rise, leading to a decrease in value of inflation-protected bonds. If inflation is lower than expected during the period the Fund holds the security, the Fund may earn less on the security than on a conventional bond. Any increase in principal value is taxable in the year the increase occurs, even though holders do not receive cash representing the increase at that time. As a result, when the Fund invests in inflation-protected securities, it could be required at times to liquidate other investments, including when it is not advantageous to do so, in order to satisfy its distribution requirements as a regulated investment company ("RIC") and to eliminate any fund-level income tax liability under the Code.

**Infrastructure Investments.**

Each Fund may invest in securities and other obligations of U.S. and non-U.S. issuers providing exposure to infrastructure investment. Infrastructure investments may be related to physical structures and networks that provide necessary services to society, such as transportation and communications networks, water and energy utilities, and public service facilities. Securities, instruments and obligations of infrastructure-related companies and projects are more susceptible to adverse economic or regulatory occurrences affecting their industries. Infrastructure companies may be subject to a variety of factors that may adversely affect their business or operations, including high interest

costs in connection with capital construction programs, high leverage, costs associated with environmental and other regulations, the effects of economic slowdown, surplus capacity, increased competition from other providers of services, uncertainties concerning the availability of fuel at reasonable prices, the effects of energy conservation policies and other factors. Infrastructure companies and projects also may be affected by or subject to (i) regulation by various government authorities, including rate regulation; (ii) service interruption due to environmental, operational or other mishaps; (iii) the imposition of special tariffs and changes in tax laws, regulatory policies and accounting standards; and (iv) general changes in market sentiment towards infrastructure and utilities assets.

**Short-Term Instruments**

Each Fund may invest in short-term money market instruments issued in the U.S. or abroad, denominated in U.S. dollars or any foreign currency. Short-term money market instruments include repurchase agreements, short-term fixed or variable rate certificates of deposit, time deposits with a maturity no greater than 180 days, bankers' acceptances, commercial paper rated A-1 by S&P or Prime-1 by Moody's or in similar other money market securities. Certificates of deposit represent an institution's obligation to repay funds deposited with it that earn a specified interest rate over a given period. Bankers' acceptances are negotiable obligations of a bank to pay a draft, which has been drawn by a customer, and are usually backed by goods in international trade. Time deposits are non-negotiable deposits with a banking institution that earn a specified interest rate over a given period. Certificates of deposit and time deposits generally may be withdrawn on demand by the Fund but may be subject to early withdrawal penalties that could reduce the Fund's performance.

Each Fund may also invest in other high quality fixed income securities denominated in U.S. dollars, any foreign currency or in a multi-national currency unit (e.g. the European Currency Unit).

**Risks of Debt Securities**

**General.** Yields on debt securities, including municipal securities, are dependent on a variety of factors, including the general conditions of the debt securities markets, the size of a particular offering, the maturity of the obligation and the rating of the issue. Debt securities with longer maturities tend to produce higher yields and are generally subject to greater price movements than obligations with shorter maturities. A portion of the municipal securities held by Brown Advisory Intermediate Income Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund, Brown Advisory Mortgage Securities Fund and the Brown Advisory Tax-Exempt Sustainable Bond Fund may be supported by credit and liquidity enhancements such as letters of credit (which are not covered by federal deposit insurance) or puts or demand features of third party financial institutions, general domestic and foreign banks.

Debt securities may be subject to extension or prepayment risk, which refers to the change in total return on a security resulting from an extension or abbreviation of the security's maturity, respectively. If an issuer redeems the debt securities prior to final maturity, a Fund may have to replace these securities with lower yielding securities, which could result in a lower return. This is known as prepayment risk and is more likely occur in a falling interest rate environment. In a rising interest rate environment, prepayment on outstanding debt securities is less likely to occur. This is known as extension risk and may cause the value of debt securities to depreciate as a result of the higher market interest rates.

Issuers may prepay fixed rate debt securities when interest rates fall, forcing the Fund to invest in securities with lower interest rates. Issuers of debt securities are also subject to the provisions of bankruptcy, insolvency and other laws affecting the rights and remedies of creditors that may restrict the ability of the issuer to pay, when due, the principal of and interest on its debt securities. The possibility exists therefore, that, as a result of bankruptcy, litigation or other conditions, the ability of an issuer to pay, when due, the principal of and interest on its debt securities may become impaired.

**Interest Rate Risk.** The market value of the interest-bearing debt securities held by a Fund will be affected by changes in interest rates. There is normally an inverse relationship between the market value of securities sensitive to prevailing interest rates and actual changes in interest rates. The longer the remaining maturity (and duration) of a security, the more sensitive the security is to changes in interest rates. All debt securities, including U.S. Government Securities, can change in value when there is a change in interest rates. As a result, an investment in a

Fund is subject to risk even if all debt securities in the Fund's investment portfolio are paid in full at maturity. In the past few years, the Board of Governors of the Federal Reserve System (the "Fed") has occasionally raised the "federal funds rate," and has also implemented reductions in the "federal funds rate." During periods of rising interest rates, the Funds are subject to heightened levels of interest rate risk. The Fed has raised interest rates over recent periods which may negatively impact the Funds' performance or otherwise adversely impact the Funds. Interest rate increases may have sudden and unpredictable effects on the markets and the Funds' investments. Debt securities with longer durations tend to be more sensitive to changes in interest rates, often making them more volatile in response to interest rate changes than debt securities with shorter durations.

**Credit Risk.** Changes in the ability of an issuer to make payments of interest and principal and in the markets' perception of an issuer's creditworthiness will also affect the market value of that issuer's debt securities. The financial condition of an issuer of a debt security held by the Fund may cause it to default on interest or principal payments due on a security. This risk generally increases as security credit ratings fall.

To limit credit risk, each Fund may purchase unrated fixed income securities if, at the time of purchase, the Adviser and/or Sub-Advisers believe that they are of comparable quality to rated securities that the Fund may purchase.

Moody's, S&P and other NRSROs are private services that provide ratings of the credit quality of debt obligations, including convertible securities. A description of the range of ratings assigned to various types of bonds and other securities by several NRSROs is included in Appendix A to this SAI. The Adviser may use these ratings to determine whether to purchase, sell or hold a security. Ratings are general and are not absolute standards of quality. Securities with the same maturity, interest rate and rating may have different market prices. If an issue of securities ceases to be rated or if its rating is reduced after it is purchased by a Fund, the Adviser will determine whether the Fund should continue to hold the obligation. Credit ratings attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value. The rating of an issuer is a rating agency's view of potential developments related to the issuer and may not necessarily reflect actual outcomes. Also, rating agencies may fail to make timely changes in credit ratings. An issuer's current financial condition may be better or worse than a rating indicates. Unrated securities may not be as actively traded as rated securities. Because a downgrade often results in a reduction in the market price of the security, the sale of a downgraded security may result in a loss.

Credit ratings for debt securities provided by rating agencies evaluate the safety of principal and interest payments, not market value risk. The rating of an issuer is a rating agency's view of past and future potential developments related to the issuer and may not necessarily reflect actual outcomes. There can be a lag between the time of developments relating to a issuer and the time a rating is assigned and updated.

**High Yield Debt or Junk Bond Securities.** Brown Advisory Small-Cap Fundamental Value Fund, Brown Advisory Sustainable Small-Cap Core Fund, Brown Advisory Sustainable Value Fund, Brown Advisory Sustainable International Leaders Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Tax-Exempt Bond Fund, Brown Advisory Mortgage Securities Fund, and Brown Advisory – Beutel Goodman Large-Cap Value Fund may invest in securities rated below investment grade; that is, rated at or below Ba by Moody's or BB by S&P, or the equivalent by any other NRSRO and may invest in securities rated as low as C by Moody's or D by S&P, or the equivalent by any other NRSRO. Each Fund may invest in unrated debt securities determined by the Adviser or Sub-Adviser, as applicable, to be of comparable quality or that is trading at a substantial discount to par value.

The Brown Advisory Sustainable Bond Fund, Brown Advisory Tax-Exempt Bond Fund, and Brown Advisory Mortgage Securities Fund will limit their investments in High Yield or Junk Bond securities to no greater than 20% of each Fund's total assets.

**Distressed Debt Securities.** The Brown Advisory Small-Cap Fundamental Value Fund, Brown Advisory Sustainable Small-Cap Core Fund, and Brown Advisory Sustainable International Leaders Fund will limit their investment in distressed debt securities, rated as low as C by Moody's or D by S&P, to 5% of the Fund's total assets. Distressed debt securities are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations and involve major risk exposure to adverse business, financial, economic or political conditions. See Appendix A for additional information on the bond ratings of Moody's and S&P.

**Foreign Debt Securities Risks.** To the extent that a Fund invests in fixed income securities of companies located outside the United States, see the risks related to foreign securities set forth in the section entitled "Investment Policies and Risks – Equity Securities – Foreign Securities Risks" above.

**Foreign Currencies Transactions**

**General**

Each Fund may temporarily hold funds in bank deposits in foreign currencies during the completion of investment programs and may conduct foreign currency exchange transactions either on a cash basis or at the rate prevailing in the foreign exchange market.

Each Fund may enter into a forward foreign currency contract. A forward currency contract ("forward contract") involves an obligation to purchase or sell a specific amount of a specific currency at a future date, which may be any fixed number of days (usually less than one year) from the date of the contract agreed upon by the parties, at a price set at the time of the contract. At or before settlement of a forward currency contract, a Fund may either deliver the currency or terminate its contractual obligation to deliver the currency by purchasing an offsetting contract. If a Fund makes delivery of the foreign currency at or before the settlement of a forward contract, it may be required to obtain the currency through the conversion of assets of the Fund into the currency. Each Fund may close out a forward contract obligating it to purchase currency by selling an offsetting contract, in which case, it will realize a gain or a loss.

Forward contracts are considered derivatives. A Fund enters into forward contracts in order to "lock in" the exchange rate between the currency it will deliver and the currency it will receive for the duration of the contract. In addition, each Fund may enter into forward contracts to hedge against risks arising from securities the Fund owns or anticipates purchasing, or the U.S. dollar value of interest and dividends paid on those securities. The Funds do not intend to enter into forward contracts on a regular or continuing basis and the Funds will not enter these contracts for speculative purposes.

The Brown Advisory Small-Cap Fundamental Value Fund, Brown Advisory Sustainable Small-Cap Core Fund, Brown Advisory Global Leaders Fund, Brown Advisory – WMC Strategic European Equity Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Emerging Markets Select Fund, Brown Advisory Sustainable International Leaders Fund, and Brown Advisory – WMC Japan Equity Fund will not have more than 10% of their respective total assets committed to forward contracts, or maintain a net exposure to forward contracts that would obligate the Fund to deliver an amount of foreign currency in excess of the value of the Fund's investment securities or other assets denominated in that currency.

**Risks**

Foreign currency transactions involve certain costs and risks. A Fund incurs foreign exchange expenses in converting assets from one currency to another. Forward contracts involve a risk of loss if the Adviser and/or Sub-Advisers are inaccurate in their prediction of currency movements. The projection of short-term currency market movements is extremely difficult and the successful execution of a short-term hedging strategy is highly uncertain. The precise matching of forward contract amounts and the value of the securities involved is generally not possible. Accordingly, it may be necessary for a Fund to purchase additional foreign currency if the market value of the security is less than the amount of the foreign currency the Fund is obligated to deliver under the forward contract and the decision is made to sell the security and make delivery of the foreign currency. The use of forward contracts as a hedging technique does not eliminate fluctuations in the prices of the underlying securities the Fund owns or intends to acquire, but it does fix a rate of exchange in advance. Although forward contracts can reduce the risk of loss due to a decline in the value of the hedged currencies, they also limit any potential gain that might result from an increase in the value of the currencies. There is also the risk that the other party to the transaction may fail to deliver currency when due which may result in a loss to a Fund.

## Leverage Transactions

### General

Each Fund may use leverage to increase potential returns. Each Fund does not currently intend to use leverage in excess of 15% of total assets. Leverage involves special risks and may involve speculative investment techniques. Leverage exists when cash made available to a Fund through an investment technique is used to make additional Fund investments. Leverage transactions include borrowing for other than temporary or emergency purposes, lending portfolio securities, entering into reverse repurchase agreements, and purchasing securities on a when-issued, delayed delivery or forward commitment basis. A Fund uses these investment techniques only when the Adviser believes that the leveraging and the returns available to a Fund from investing the cash will provide investors with a potentially higher return. (See "Risks" below.)

**Borrowing**. Each Fund (other than Brown Advisory Intermediate Income Fund, Brown Advisory Maryland Bond Fund and Brown Advisory Tax-Exempt Bond Fund) may borrow money as a temporary measure for extraordinary or emergency purposes in amounts up to $33^{1/3}$% of the Fund's total assets at the time of borrowing. The Brown Advisory Flexible Equity Fund, Brown Advisory Small-Cap Fundamental Value Fund, Brown Advisory Sustainable Small-Cap Core Fund, Brown Advisory Global Leaders Fund, Brown Advisory Sustainable International Leaders Fund, Brown Advisory – WMC Strategic European Equity Fund, Brown Advisory Emerging Markets Select Fund, and Brown Advisory - WMC Japan Equity Fund may invest in reverse repurchase agreements for other than temporary or emergency purposes, but such investments in reverse repurchase agreements are limited to $33^{1/3}$% of the Fund's total assets at the time of investments. Entering into reverse repurchase agreements and purchasing securities on a when-issued, delayed delivery or forward delivery basis may be limited by collateral requirements to cover these positions, as disclosed below under "Reverse Repurchase Agreements."

**Senior Securities.** Pursuant to Section 18(f)(1) of the 1940 Act, a Fund may not issue any class of senior security or sell any senior security of which it is the issuer, except that the Fund shall be permitted to borrow from any bank so long as immediately after such borrowings, there is an asset coverage of at least 300% and that in the event such asset coverage falls below this percentage, the Fund shall reduce the amount of its borrowings, within 3 days, excluding holidays and Sundays, to an extent that the asset coverage shall be at least 300%. In accordance with Section 18 of the 1940 Act, a Fund will not mortgage, pledge or hypothecate its assets in an amount exceeding $33^{1/3}$% of the value of its total assets.

**Securities Lending**. Each Fund may lend portfolio securities in an amount up to $33^{1/3}$% of its total assets (10% of total assets for Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund and Brown Advisory Tax-Exempt Sustainable Bond Fund) to brokers, dealers and other financial institutions.

In a portfolio securities lending transaction, the Fund receives from the borrower an amount equal to the interest paid or the dividends declared on the loaned securities during the term of the loan as well as the interest on the collateral securities, less any fees (such as finders or administrative fees) the Fund pays in arranging the loan. The Fund may share the interest it receives on the collateral securities with the borrower. The terms of the Fund's loans permit the Fund to reacquire loaned securities on five business days' notice or in time to vote on any important matter. Loans are subject to termination at the option of the Fund or the borrower at any time, and the borrowed securities must be returned when the loan is terminated. The Fund may pay fees to arrange for securities loans.

The SEC currently requires that the following conditions must be met whenever a Fund's portfolio securities are loaned: (1) the Fund must receive at least 100% cash collateral from the borrower; (2) the borrower must increase such collateral whenever the market value of the securities rises above the level of such collateral; (3) the Fund must be able to terminate the loan at any time; (4) the Fund must receive reasonable interest on the loan, as well as any dividends, interest or other distributions on the loaned securities, and any increase in market value; (5) the Fund may pay only reasonable custodian fees approved by the Board in connection with the loan; (6) while voting rights on the loaned securities may pass to the borrower, the Board must terminate the loan and regain the right to vote the securities if a material event adversely affecting the investment occurs, and (7) the Fund may not loan its portfolio securities so that the value of the loaned securities is more than one-third of its total asset value, including collateral received from such loans. These conditions may be subject to future modification. Such loans will be terminable at any time upon specified notice. A Fund might experience the risk of loss if the institution with which it has engaged

in a portfolio loan transaction breaches its agreement with the Fund. In addition, a Fund will not enter into any portfolio security lending arrangement having a duration of longer than one year. The principal risk of portfolio lending is potential default or insolvency of the borrower. In either of these cases, a Fund could experience delays in recovering securities or collateral or could lose all or part of the value of the loaned securities. All of the Funds' collateral received in connection with securities lending transactions is held as cash or cash equivalents or in the form received from the borrower (if securities) or invested in other funds that are managed in accordance with the investment restrictions of Rule 2a-7 under the 1940 Act. In addition, all investments made with the collateral received are subject to the risks associated with such investments. If such investments lose value, a Fund will have to cover the loss when repaying the collateral.

Any loans of portfolio securities are fully collateralized based on values that are marked-to-market daily. Any securities that a Fund may receive as collateral will not become part of the Fund's investment portfolio at the time of the loan and, in the event of a default by the borrower, the Fund will, if permitted by law, dispose of such collateral except for such part thereof that is a security in which the Fund is permitted to invest. During the time securities are on loan, the borrower will pay a Fund any accrued income on those securities, and the Fund may invest the cash collateral and earn income or receive an agreed-upon fee from a borrower that has delivered cash-equivalent collateral.

**Reverse Repurchase Agreements.** Each Fund may enter into reverse repurchase agreements which are transactions in which a Fund sells a security and simultaneously agrees to repurchase that security from the seller at an agreed upon price on an agreed upon future date, normally, one to seven days later. Such reverse repurchase agreements would represent no more than 15% of a Fund's assets (5% of total assets for the Brown Advisory Tax-Exempt Bond Fund and the Brown Advisory Tax-Exempt Sustainable Bond Fund).

Reverse repurchase agreements involve the risk that the market value of securities retained in lieu of sale by a Fund may decline below the price of the securities such Fund has sold but is obliged to repurchase. If the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, such buyer or its trustee or receiver may receive an extension of time to determine whether to enforce a Fund's obligation to repurchase the securities. During that time, a Fund's use of the proceeds of the reverse repurchase agreement effectively may be restricted.

**When-Issued Securities and Forward Commitments.** Each Fund may invest in securities offered on a "when-issued" and "forward commitment" basis (including a delayed delivery basis). Securities purchased on a "when-issued" or "forward commitment basis" are securities not available for immediate delivery despite the fact that a market exists for those securities. A purchase is made on a "delayed delivery" basis when the transaction is structured to occur sometime in the future.

When these transactions are negotiated, the price, which is generally expressed in yield terms, is fixed at the time the commitment is made, but delivery and payment for the securities take place at a later date. Normally, the settlement date occurs within two months after the transaction, but delayed settlements beyond two months may be negotiated. During the period between a commitment and settlement, no payment is made for the securities purchased by the purchaser and, thus, no interest accrues to the purchaser from the transaction. At the time a Fund makes the commitment to purchase securities on a when-issued basis or forward commitment, the Fund will record the transaction as a purchase and thereafter reflect the value each day of such securities in determining its NAV. No when-issued or forward commitments will be made by a Fund (except Brown Advisory Intermediate Income Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund, Brown Advisory Tax-Exempt Sustainable Bond Fund and Brown Advisory Mortgage Securities Fund) if, as a result, more than 25% of a Fund's total assets would be committed to such transactions.

**Risks**

Leverage creates the risk of magnified capital losses. Leverage may involve the creation of a liability that requires the Fund to pay interest (for instance, reverse repurchase agreements) or the creation of a liability that does not entail any interest costs (for instance, forward commitment costs).

The risks of leverage include a higher volatility of the NAV of a Fund's securities which may be magnified by favorable or adverse market movements or changes in the cost of cash obtained by leveraging and the yield from invested cash. So long as a Fund is able to realize a net return on its investment portfolio that is higher than interest expense incurred, if any, leverage will result in higher current net investment income for the Fund than if the Fund were not leveraged. Changes in interest rates and related economic factors could cause the relationship between the cost of leveraging and the yield to change so that rates involved in the leveraging arrangement may substantially increase relative to the yield on the obligations in which the proceeds of the leveraging have been invested. To the extent that the interest expense involved in leveraging approaches the net return on a Fund's investment portfolio, the benefit of leveraging will be reduced, and, if the interest expense incurred as a result of leveraging on borrowings were to exceed the net return to investors, the Fund's use of leverage would result in a lower rate of return than if the Fund were not leveraged. In an extreme case, if a Fund's current investment income were not sufficient to meet the interest expense of leveraging, it could be necessary for the Fund to liquidate certain of its investments at an inappropriate time.

## Repurchase Agreements

### General

Each Fund may enter into repurchase agreements which are transactions in which a Fund purchases a security and simultaneously agrees to resell that security to the seller at an agreed upon price on an agreed upon future date, normally, one to seven days later. If a Fund enters into a repurchase agreement, it will maintain possession of the purchased securities and any underlying collateral. For purposes of the 1940 Act, a repurchase agreement is deemed to be a loan from a Fund to the seller of the security subject to the repurchase agreement. Repurchase agreements are not considered to be the making of loans for purposes of the Funds' fundamental investment limitations.

### Risks

Repurchase transactions also involve credit risk. Credit risk is the risk that a counterparty to a transaction will be unable to honor its financial obligation. In the event that bankruptcy, insolvency or similar proceedings are commenced against a counterparty, a Fund may have difficulties in exercising its rights to the underlying securities or currencies, as applicable. A Fund may incur costs and expensive time delays in disposing of the underlying securities and it may suffer a loss of principal or a decline in interest payments regarding affected securities. Failure by the other party to deliver a security or currency purchased by a Fund may result in a missed opportunity to make an alternative investment. Certain repurchase agreements that a Fund may enter into may or may not be subject to an automatic stay in bankruptcy proceedings. Favorable insolvency laws that allow a Fund, among other things, to liquidate the collateral held in the event of the bankruptcy of the counterparty reduce counterparty insolvency risk.

## Real Estate Investment Trusts

The Funds may invest in real estate investment trusts ("REITs"). Equity REITs invest directly in real property while mortgage REITs invest in mortgages on real property. REITs may be subject to certain risks associated with the direct ownership of real estate, including declines in the value of real estate, risks related to general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses and variations in rental income. To the extent a Fund invests in REITs, the Fund will also be subject to risks associated with extended vacancies of properties or defaults by borrowers or tenants, particularly during periods of disruptions to business operations or an economic downturn. REITs pay dividends to their shareholders based upon available funds from operations. It is quite common for these dividends to exceed a REIT's taxable earnings and profits, resulting in the excess portion of such dividends being designated as a return of capital. The Fund intends to include the gross dividends from such REITs in its distribution to its shareholders and, accordingly, a portion of the Fund's distributions may also be designated as a return of capital.

**Changing Fixed Income Market Conditions**

The Fed has raised the federal funds rate over recent periods. These policy changes may expose the market for debt instruments and related markets to heightened volatility and may reduce liquidity for certain Fund investments, which could cause the value of a Fund's investments and share price to decline. Because certain Funds may invest in derivatives tied to fixed income markets a Fund may be more substantially exposed to these risks than a fund that does not invest in derivatives. To the extent that a Fund experiences high redemptions because of these policy changes, the Fund may experience increased portfolio turnover, which will increase the costs that a Fund incurs and may lower a Fund's performance. The liquidity levels of a Fund's portfolio may also be affected.

Bond markets have consistently grown over the past three decades while the capacity for traditional dealer counterparties to engage in fixed income trading has not kept pace and in some cases has decreased. As a result, dealer inventories of corporate bonds, which provide a core indication of the ability of financial intermediaries to "make markets," are at or near historic lows in relation to market size. Because market makers provide stability to a market through their intermediary services, the significant reduction in dealer inventories could potentially lead to decreased liquidity and increased volatility in the fixed income markets. Such issues may be exacerbated during periods of economic uncertainty.

**Temporary Defensive Position**

Under normal circumstances, each Fund may have money received from the purchase of Fund shares, or money received on the sale of its portfolio securities for which suitable investments consistent with such Fund's investment objectives are not immediately available. Under these circumstances, each Fund may have such monies invested in cash or cash equivalents in order to earn income on this portion of its assets. Cash equivalents include investments such as short-term U.S. Government Securities, commercial paper, bankers' acceptances, certificates of deposit, interest-bearing savings deposits of commercial banks, repurchase agreements concerning securities in which the Fund may invest and money market mutual funds.

In addition, each Fund may reduce its holdings in equity and other securities and may invest in cash, prime quality cash equivalents such as prime commercial paper and other money market instruments, for temporary defensive purposes, during periods in which the Adviser and/or Sub-Advisers believe changes in economic, financial or political conditions make it advisable. Prime quality instruments are those instruments that are rated in one of the two highest short-term rating categories by an NRSRO or, if not rated, determined by the Adviser and/or Sub-Advisers to be of comparable quality.

With respect to the Brown Advisory Maryland Bond, Brown Advisory Tax-Exempt Bond Fund and Brown Advisory Tax-Exempt Sustainable Bond Fund, the Fund may invest in municipal securities whose interest is subject to the Federal alternative minimum tax, or other securities whose interest is subject to federal tax, for temporary defensive purposes.

**Cyber Security Risk**

As technology, including cloud technology, becomes more integrated into the Funds' operations, the Funds will face greater operational risks through breaches in cyber security. A breach in cyber security refers to both intentional and unintentional events that may cause the Funds to lose proprietary information, suffer data corruption, or lose operational capacity. This in turn could cause the Funds to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. Cyber security threats may result from unauthorized access to the Funds' digital information systems (e.g., through "hacking" or malicious software coding), but may also result from outside attacks such as denial-of-service attacks (i.e., efforts to make network services unavailable to intended users). In addition, because the Funds work closely with third-party service providers (e.g., administrators, transfer agents, custodians and sub-advisers), cyber security breaches at such third-party service providers may subject the Funds to many of the same risks associated with direct cyber security breaches. The Funds may experience investment losses in the event of cyber security breaches at any of the issuers in which the Funds may invest. While the Funds have established risk management systems designed to reduce the risks associated with cyber security, there can be no assurance that such measures will succeed.

**Contracts for Differences**

The Brown Advisory Emerging Markets Select Fund may enter into contracts for differences ("CFDs"). CFDs are leveraged derivative instruments that allows the Fund to take a position on the change in the market price of an underlying asset, such as a stock, or the value of an index or currency exchange rate. With a long CFD, the Fund is seeking to profit from increases in the market price of a particular asset. With a short CFD the Fund is seeking to profit from falls in the market price of the asset. CFDs are subject to liquidity risk because the liquidity of CFDs is based on the liquidity of the underlying instrument, and are subject to counterparty risk, i.e., the risk that the counterparty to the CFD transaction may be unable or unwilling to make payments or to otherwise honor its financial obligations under the terms of the contract. It is also possible that the market price of the CFD will move between the time the order is placed by the Fund and when it is executed by the issuer, which can result in the trade being executed at a less favorable price. CFDs, like many other derivative instruments, involve the risk that, if the derivative security declines in value, additional margin would be required to maintain the margin level. The seller may require the Fund to deposit additional sums to cover this, and this may be at short notice. If additional margin is not provided in time, the seller may liquidate the positions at a loss for which the Fund is liable. Most CFDs are traded over-the-counter. CFDs are not registered with the SEC or any U.S. regulator, and are not subject to U.S. regulation.

**Geographic Focus Risk**

Because the Brown Advisory Emerging Markets Select Fund invests primarily in equity securities of issuers in emerging markets, the Fund's investments may have greater exposure to the limited number of countries in which it invests. To the extent that the Fund focuses its investments in a particular geographic region or country, the Fund may be subject to increased currency, political, social, environmental, regulatory and other risks not typically associated with investing in a larger number of regions or countries. In addition, certain emerging markets economies may themselves be focused in particular industries or more vulnerable to political changes than the U.S. economy, which may have a direct impact on the Fund's investments. As a result, the Fund may be subject to greater price volatility and risk of loss than a fund holding more geographically diverse investments.

The Fund may, from time to time, focus on specific geographic regions within the emerging markets, including countries in Asia, such as China, Hong Kong and Taiwan, thus providing exposure to the risks associated with investment in Asian markets. Parts of the Asian region may be subject to a greater degree of economic, political and social instability than is the case in the United States. Investments in countries in the Asian region will be impacted by the market conditions, legislative or regulatory changes, competition, or political, economic and other developments in Asia.

Investments in China may subject the Fund to certain additional risks, including exposure to currency fluctuations, less liquidity, expropriation, confiscatory taxation, nationalization, exchange control regulations (including currency blockage), trading halts, imposition of tariffs, limitations on repatriation and differing legal standards. The Chinese economy is largely export-driven and highly reliant on trade. A downturn in the economies of China's primary trading partners could slow or eliminate the growth of the Chinese economy and adversely impact the Fund's investments. There has also been increased attention from the SEC and the Public Company Accounting Oversight Board (the "PCAOB") with respect to international accounting standards of U.S. companies with significant operations in China and PCAOB-registered auditing firms located in China. Because the SEC and the PCAOB are currently only able to get limited information about these auditing firms and are restricted from inspecting the audit work and practices of registered accountants in China, there is the risk that material information about Chinese issuers may not be available. The Chinese government strictly regulates the payment of foreign currency denominated obligations and sets monetary policy. The Chinese government may introduce new laws and regulations that could have an adverse effect on the Fund. Although China has begun the process of privatizing certain sectors of its economy, privatized entities may lose money and/or be re-nationalized. The securities markets in China are characterized by a relatively small number of issuers and relatively low trading volume, resulting in substantially less liquidity and greater price volatility and potentially fewer investment opportunities. The Chinese government exercises significant control over the economy, and may at any time alter or discontinue economic reforms.

**Risk Related to Management of Certain Similar Funds**

The name, investment objective and policies of certain Funds are similar to other funds advised by the Adviser. The investment results of a Fund may be higher or lower than, and there is no guarantee that the investment results of a Fund will be comparable to, any other of the funds. Despite any similarities, these offerings can have important differences that any potential investors should consider and discuss with their investment professionals. To understand the differences and to decide which offering best suits an investor, the investor should review the prospectus, offering document or brochure for the relevant offering and consult their investment professionals. Investment professionals providing advice or recommendations of these offerings are themselves responsible for undertaking appropriate due diligence, considering factors such as cost and complexity and evaluating any offering in relation to reasonably available alternatives under applicable law – all within the broader framework of an investor's financial circumstances, needs and objectives.

# MANAGEMENT

## Trustees and Executive Officers

The Board is responsible for the overall management of the Trust, including general supervision and review of the investment activities of the funds managed by the Adviser (together, the "Funds"). The Board, in turn, elects the Officers of the Trust, who are responsible for administering the day-to-day operations of the Trust and each of the Funds. The current Trustees and Officers of the Trust, their ages and positions with the Trust, term of office with the Trust and length of time served, their principal occupations for the past five years and other directorships held during the past five years are set forth in the following table.

| Name, Address And Age | Position with the Trust | Term of Office and Length of Time Served | Principal Occupation(s) During Past 5 Years | Number of Portfolios in Fund Complex Overseen by Trustees | Other Directorships Held During the Past 5 Years[2] |
|---|---|---|---|---|---|
| **Independent Trustees of the Trust[1]** | | | | | |
| Darrell N. Braman<br>Age: 62<br>c/o Brown Advisory LLC<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Trustee | Indefinite Term; Since December 2024 | Adjunct Professor of Law, University of Maryland Francis King Carey School of Law (law school); (since 2021); Formerly, Vice President and Managing Counsel, T. Rowe Price Associates, Inc. (investment management firm) (1994 to 2021) | 20 | None |
| Henry H. Hopkins<br>Age: 82<br>c/o Brown Advisory LLC<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Trustee | Indefinite Term; Since 2012 | Retired; Formerly, Vice President and Chief Legal Counsel, T. Rowe Price Associates, Inc. (investment management firm)(1998 to 2008) | 20 | None |
| Georgette D. Kiser<br>Age: 58<br>c/o Brown Advisory LLC<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Trustee | Indefinite Term; Since November 2021 | Operating Executive, The Carlyle Group (investment management firm) (since 2019); Operating Partner, Broad Sky Partners LLC (private equity firm) (since 2021); formerly, Chief Information Officer, The Carlyle Group (2015 to 2019); Vice President and Head of Enterprise Solutions and Capabilities, T. Rowe Price Associates, Inc. (investment management firm) (2012 to 2015) and executive officer, various positions, T. Rowe Price Associates, Inc. (1996 to 2012) | 20 | Aflac Inc.; (insurance firm) Jacobs Engineering Group Inc. (technical professional and consulting services firm); NCR Corp. (enterprise technology firm); Adtalem Global Education Inc. (workforce solutions firm) |

| Name, Address And Age | Position with the Trust | Term of Office and Length of Time Served | Principal Occupation(s) During Past 5 Years | Number of Portfolios in Fund Complex Overseen by Trustees | Other Directorships Held During the Past 5 Years[2] |
|---|---|---|---|---|---|
| Thomas F. O'Neil III<br>Age: 68<br>c/o Brown Advisory LLC<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Board Chair<br><br><br>Trustee | Indefinite Term; Since 2023<br><br><br>Indefinite Term: Since 2012 | Managing Director, Berkeley Research Group (global management consulting firm) (since 2021); Governance and Compliance Adviser (for healthcare, financial services and retail businesses) and President, The Saranac Group LLC (strategic consulting firm) (2010 to 2016 and since 2021). Formerly, Global Chief Compliance Officer, Cigna Corporation (health services company) (2016 to 2020) | 20 | None |
| Neal F. Triplett, CFA<br>Age: 54<br>c/o Brown Advisory LLC<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Trustee | Indefinite Term; Since 2012 | President, DUMAC, Inc. (university endowment investment organization) (since 1999) | 20 | Arch Capital Group Ltd. (global insurance company) (since 2024) |

## Interested Trustees and Officers of the Trust

| | | | | | |
|---|---|---|---|---|---|
| Margaret W. Adams, CAIA[3]<br>Age: 63<br>c/o Brown Advisory LLC<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Trustee | Indefinite Term Since March 2023 | Managing Director, Membership Engagement, FCLT Global (non-profit organization focused on innovative global investment-related initiatives) (since 2018);formerly, Partner and Senior Managing Director, Wellington Management Company LLP (institutional investment management firm) (2006-2017) | 20 | None |
| Michael D. Hankin[3]<br>Age: 67<br>c/o Brown Advisory Incorporated<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Trustee | Indefinite Term; Since 2012 | President and Chief Executive Officer, Brown Advisory Incorporated and affiliates (investment management firm)(since 1993) | 20 | Stanley Black & Decker, Inc. (industrial tools and hardware) (since 2016) |
| Paul J. Chew<br>Age: 59<br>c/o Brown Advisory Incorporated<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | President/ Principal Executive Officer<br><br>Senior Vice President | Indefinite Term; Since October 2018<br><br>2016 to October 2018 | Chief Investment Officer, Brown Advisory Incorporated and affiliates (investment management firm) (since 1995) | Not Applicable | Not Applicable |
| Carey E. Buxton<br>Age: 38<br>c/o Brown Advisory Incorporated<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Senior Vice President | Indefinite Term; Since 2015 | Global Chief Operating Officer of Institutional Business (since 2024); Head of Sustainable Investing Business (since 2020); Chief Operating Officer, Institutional Investing (since 2018); Brown Advisory Incorporated and affiliates (investment management firm). | Not Applicable | Not Applicable |
| Samuel Archer<br>Age: 31<br>c/o Brown Advisory LLC<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Vice President | Indefinite Term; Since May 2025 | Director of Institutional Funds (since 2024); Senior Institutional Operations Specialist, and other positions (since 2018); Brown Advisory Incorporated and affiliates (investment management firm). | Not Applicable | Not Applicable |

| Name, Address And Age | Position with the Trust | Term of Office and Length of Time Served | Principal Occupation(s) During Past 5 Years | Number of Portfolios in Fund Complex Overseen by Trustees | Other Directorships Held During the Past 5 Years[2] |
|---|---|---|---|---|---|
| Jason T. Meix<br>Age: 46<br>c/o Brown Advisory LLC<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Treasurer / Principal Financial Officer | Indefinite Term; Since 2012 | Vice President, U.S. Bancorp Fund Services, LLC (fund administrative services firm) (since 2008) | Not Applicable | Not Applicable |
| Edward L. Paz<br>Age: 54<br>c/o Brown Advisory LLC<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Secretary | Indefinite Term; Since 2012 | Vice President and Counsel, U.S. Bancorp Fund Services, LLC (fund administrative services firm) (since 2007) | Not Applicable | Not Applicable |
| Brett D. Rogers<br>Age: 49<br>c/o Brown Advisory Incorporated<br>901 South Bond Street<br>Suite 400<br>Baltimore, MD 21231 | Chief Compliance Officer<br><br>Anti-Money Laundering Officer | Indefinite Term; Since 2012<br><br>Indefinite Term: Since 2012 | General Counsel, Brown Advisory Incorporated and affiliates (investment management firm) (since 2009); Chief Compliance Officer, Brown Advisory Incorporated and certain affiliates (2009 to 2023). | Not Applicable | Not Applicable |

(1) The Trustees of the Trust who are not "interested persons" of the Trust as defined in the 1940 Act ("Independent Trustees").

(2) The directorships disclosed in this column include only the directorships of those companies that a Trustee serves on that are required to report to the SEC under applicable Federal securities laws including publicly traded corporations that are registered with the SEC under the 1934 Act and investment companies that are registered with the SEC under the 1940 Act, and it therefore excludes various other types of directorships that the Trustees of the Trust may currently hold in other types of organizations, including private companies and not-for-profit organizations, which are expressly excluded from the disclosure requirements for mutual fund board members.

(3) Mr. Hankin is considered an "interested person" of the Trust, as defined in the 1940 Act, because of his current position with Brown Advisory Incorporated, the parent company of the Adviser and of Brown Advisory Limited, and Ms. Adams is considered an "interested person" of the Trust, as defined in the 1940 Act, because of the financial interest that she currently has in Wellington Management Company LLP ("Wellington"), a Sub-Adviser to three of the series in the Trust, as the result of certain payments that she is entitled to receive from Wellington as the result of her previous employment with the firm. Ms. Adams has not been employed by Wellington during the past five years.

**Additional Information Concerning the Board of Trustees**

*The Role of the Board*

The Board oversees the management and operations of the Trust. Like all mutual funds, the day-to-day management and operation of the Trust is the responsibility of the various service providers to the Trust, such as the Adviser, the Sub-Advisers, the Distributor, the Administrator, the Custodian and the Transfer Agent, each of whom are discussed in greater detail in this Statement of Additional Information. The Board has appointed various senior employees of the Adviser and Administrator as officers of the Trust, with responsibility to monitor and report to the Board on the Trust's operations. In conducting this oversight, the Board receives regular reports from these officers and the service providers. For example, the Treasurer reports as to financial reporting matters. In addition, the Adviser and/or Sub-Advisers provide regular reports on the investment strategy and performance of the Funds. The Board has appointed a Chief Compliance Officer who administers the Trust's compliance program and regularly reports to the Board as to compliance matters. These reports are provided as part of the Board's regular quarterly Board Meetings, which are typically held quarterly, in person, and involve the Board's review of recent operations.

*Board Structure, Leadership*

The Board has structured itself in a manner that it believes allows it to perform its oversight function effectively. It has established four standing committees – (1) an Audit Committee; (2) a Nominating and Corporate Governance Committee; (3) a Compliance Oversight Committee; and (4) a Valuation Committee – which are discussed in greater detail below under "Trust Committees." A majority of the Board is comprised of Independent Trustees who are not

affiliated with the Adviser, the Sub-Advisers, the principal underwriter, or their affiliates. The Nominating and Corporate Governance Committee, Audit Committee and Compliance Oversight Committee are each comprised of a majority of Independent Trustees.

Except for any duties specified herein or pursuant to the Trust's Declaration of Trust and By-Laws, the designation of Chairman for Mr. O'Neil does not impose any duties, obligations or liabilities that are greater than the duties, obligations or liabilities imposed on each such person as a member of the Board. The majority of the Board is comprised of Independent Trustees and the Board believes that maintaining a Board that has a majority of Independent Trustees allows the Board to operate in a manner that provides for an appropriate level of independent oversight and action. In accordance with applicable regulations regarding the governance of the Trust, the Independent Trustees meet in a separate quarterly session in conjunction with each quarterly meeting of the Board during which they review matters relating to their independent oversight of the Trust. In addition, each of the Board committees is comprised of a majority of Independent Trustees and the Chair of each of the Board committees is an Independent Trustee. The Board reviews annually the structure and operation of the Board and its committees.

*Board Oversight of Risk Management*

As part of its oversight function, the Board of Trustees receives and reviews various risk management reports and discusses these matters with appropriate management and other personnel. Because risk management is a broad concept comprised of many elements (e.g., investment risk, issuer and counterparty risk, compliance risk, operational risks, business continuity risks, etc.), the oversight of different types of risks is handled in different ways. For example, the Audit Committee meets with the Treasurer and the Trust's independent registered public accounting firm to discuss, among other things, the internal control structure of the Trust's financial reporting function. The Board meets regularly with the Chief Compliance Officer to discuss compliance and operational risks and how they are managed. The Board also receives reports from the Adviser and Sub-Advisers as to investment risks of the Funds.

*Information about Each Trustee's Qualification, Experience, Attributes or Skills*

The Board believes that each of the Trustees has the qualifications, experience, attributes and skills ("Trustee Attributes") appropriate to their continued service as Trustees of the Trust in light of the Trust's business and structure. In addition to a demonstrated record of business and/or professional accomplishment, each of the Trustees has demonstrated a commitment to discharging their oversight duties as trustees in the interests of shareholders. The Board annually conducts a "self-assessment" wherein the effectiveness of the Board is reviewed.

In addition to the information provided in the chart above, below is certain additional information concerning each particular Trustee and his/her Trustee Attributes.

*Ms. Adams' Trustee Attributes.* Ms. Adams has extensive experience in the investment management industry and is an accomplished global financial services executive. Ms. Adams currently serves as Managing Director for Member Engagement for a non-profit organization that is focused on innovative global investment-related initiatives by engaging top tier global asset management industry leaders and corporations in actionable research and idea exchanges. Prior to this position, Ms. Adams served as a Partner and Senior Managing Director at Wellington, a global institutional investment management firm that provides advisory and sub-advisory services to mutual funds and other types of institutional clients, where she was employed from2006 through 2017. Ms. Adams is also a Chartered Alternative Investment Analyst ("CAIA") Charterholder. Prior to joining Wellington, Ms. Adams had held positions as a portfolio manager at large asset management organizations, including MFS Investment Management and JP Morgan & Co., Inc. The Board believes Ms. Adams' qualifications, attributes and skills and diverse experiences on an individual basis and in combination with those of the other Trustees lead to the conclusion that she possesses the requisite skills and attributes as a Trustee to carry out oversight responsibilities with respect to the Trust.

*Mr. Braman's Trustee Attributes* Mr. Braman worked for over 25 years as a senior legal executive with T. Rowe Price Associates, Inc., a publicly-traded investment management firm, where he served from 1994 until 2021 and he held the position of Vice President and Managing Counsel. During his tenure with the firm, he focused on legal, regulatory and compliance matters and he served as the Secretary to the T. Rowe Price Funds and he was the

principal liaison with the fund group's board. Mr. Braman was also actively involved with the Investment Company Institute, the primary trade association for the mutual fund industry, where he served as the Chair of the organization's SEC Rules Committee, and he has also served on various mutual fund industry task forces related to the SEC's asset management regulatory agenda. Prior to joining T. Rowe Price Associates, Mr. Braman served as a Special Counsel with the U.S. Securities & Exchange Commission from 1989 to 1994. Mr. Braman currently serves as Adjunct Professor of Law at the University of Maryland Francis King Carey School of Law where he teaches courses on business associations, corporate finance and securities regulation. The Board believes Mr. Braman's experience, qualifications, attributes and skills on an individual basis and in combination with those of the other Trustees lead to the conclusion that he possesses the requisite skills and attributes as a Trustee to carry out oversight responsibilities with respect to the Trust.

*Mr. Hankin's Trustee Attributes.* As President and Chief Executive Officer of Brown Advisory Incorporated, the ultimate parent of the Adviser, Mr. Hankin is ultimately responsible for the management of the Funds' day-to-day operations. Mr. Hankin has spent over 20 years assisting a wide range of individuals and institutions on their investment and financial matters. Mr. Hankin also currently serves on the board of Stanley Black & Decker, Inc. an industrial tool and hardware company. Prior to working in the investment management industry, Mr. Hankin was a Partner with the law firm of Piper & Marbury LLP (now DLA Piper US LLP). The Board believes that Mr. Hankin's experience, qualifications, attributes and skills on an individual basis and in combination with those of the other Trustees lead to the conclusion that he possesses the requisite skills and attributes as a Trustee to carry out oversight responsibilities with respect to the Trust.

*Mr. Hopkins' Trustee Attributes.* Mr. Hopkins brings over 35 years of prior legal experience in the mutual fund industry. In particular, Mr. Hopkins served as a legal counsel with T. Rowe Price Associates, Inc., a publicly traded investment management firm, from 1972 until 2008, where he held the position of Vice President and Chief Legal Counsel from 1998 until 2008, and Mr. Hopkins served as Chair of the firm's Ethics Committee for 35 years. During that time, he also served in various capacities and on various committees for the Investment Company Institute, the primary mutual fund trade association and the Investment Adviser Association, the primary investment adviser trade association. Mr. Hopkins is the former Chairman of ICI Mutual Insurance Company, the captive insurance company for the mutual fund industry. From 2015 to April 2023, Mr. Hopkins served as Lead Independent Trustee. The Board believes Mr. Hopkins' experience, qualifications, attributes and skills on an individual basis and in combination with those of the other Trustees lead to the conclusion that he possesses the requisite skills and attributes as a Trustee to carry out oversight responsibilities with respect to the Trust.

*Ms. Kiser's Trustee Attributes.* Ms. Kiser has senior executive experience in the investment management industry through her current experience as an Operating Executive, and previously as a Managing Director and the Chief Information Officer, at The Carlyle Group, an investment management firm. In addition, prior to joining The Carlyle Group, Ms. Kiser served in various executive positions at T. Rowe Price Associates, Inc., another investment management firm, including serving most recently as Vice President and Head of Enterprise Solutions and Capabilities within the Services and Technology Organization. Ms. Kiser also currently serves as a director of several corporations, including for Aflac Inc. (a global insurance company), Jacobs Engineering Group Inc. (a technical professional and consulting services firm), NCR Corporation (an enterprise technology provider) and Adtalem Global Education Inc. (a workforce solutions provider). The Board believes Ms. Kiser's qualifications, attributes and skills and diverse experiences on an individual basis and in combination with those of the other Trustees lead to the conclusion that she possesses the requisite skills and attributes as a Trustee to carry out oversight responsibilities with respect to the Trust.

*Mr. O'Neil's Trustee Attributes.* Mr. O'Neil currently serves as Managing Director of Berkely Research Group, a global management consulting firm serving multiple industries and markets, which he joined in 2021, and he also serves as a governance and compliance adviser and has served as a member of the boards of various private companies. Prior to January 2020, Mr. O'Neal served as the Global Chief Compliance Officer of Cigna Corporation, a health services company. Mr. O'Neil is the Founder and President of The Saranac Group LLC, a strategic consulting firm that advises boards of directors, board committees and senior management in the areas of business ethics, corporate crises, governance and compliance, resolutions of complex government controversies and monitoring. Prior to founding The Saranac Group LLC, Mr. O'Neil served in various senior management positions at WellCare Health Plans, Inc. and as a Partner and Joint Global Practice Group Leader at the international law firm DLA Piper US LLP. The Board believes Mr. O'Neil's experience, qualifications, attributes and skills on an

individual basis and in combination with those of the other Trustees lead to the conclusion that he possesses the requisite skills and attributes as a Trustee to carry out oversight responsibilities with respect to the Trust.

*Mr. Triplett's Trustee Attributes*. Mr. Triplett is the President of DUMAC, Inc. ("DUMAC"), a professionally-staffed investment management organization controlled by Duke University that manages the school's endowment funds. He joined DUMAC in July 1999 and he was appointed President in January 2007. Since joining DUMAC Mr. Triplett has been directly involved with managing securities. Mr. Triplett also currently serves on the board of Arch Capital Group Ltd., a global insurance company. Prior to completing business school, Mr. Triplett was a credit officer for the corporate and real estate portfolios at Wachovia Bank. Mr. Triplett holds the Chartered Financial Analyst designation. The Board believes Mr. Triplett's experience, qualifications, attributes and skills on an individual basis and in combination with those of the other Trustees lead to the conclusion that he possesses the requisite skills and attributes as a Trustee to carry out oversight responsibilities with respect to the Trust.

**Trust Committees**

The Trust has four standing committees: (1) the Audit Committee; (2) the Nominating and Corporate Governance Committee; (3) the Compliance Oversight Committee; and (4) the Valuation Committee.

The Audit Committee is comprised of all of the Independent Trustees. The function of the Audit Committee is to review the scope and results of the annual audit of each of the Funds and any matters bearing on the audit or a Fund's financial statements and to ensure the integrity of the Funds' financial reporting. The Audit Committee also recommends to the Board of Trustees the annual selection of the independent registered public accounting firm for the Funds and it reviews and pre-approves audit and certain non-audit services to be provided by the independent registered public accounting firm. During the fiscal year ended June 30, 2025, the Audit Committee met three times.

The Nominating and Corporate Governance Committee, comprised of all of the Independent Trustees, is responsible for seeking and reviewing candidates for consideration as nominees for Trustees and overseeing Board governance matters. Although the Nominating and Corporate Governance Committee does not have a policy with respect to the consideration of candidates for Trustee submitted by shareholders, if the Nominating and Corporate Governance Committee determined that it would be in the best interests of the Trust to fill a vacancy on the Board of Trustees, and a shareholder submitted a candidate for consideration by the Board of Trustees to fill the vacancy, the Nominating and Corporate Governance Committee would evaluate that candidate in the same manner as it evaluates nominees identified by the Nominating and Corporate Governance Committee. Nominee recommendations may be submitted to the Secretary of the Trust at the Trust's principal business address. The Committee meets on an as needed basis. During the fiscal year ended June 30, 2025, the Nominating and Corporate Governance Committee met two times.

The Compliance Oversight Committee is comprised of all of the Independent Trustees and Ms. Adams. The function of the Compliance Oversight Committee is to review and monitor compliance matters relating to the Funds and to oversee the functions of the Funds' compliance program. The Committee meets on an as-needed basis. During the fiscal year ended June 30, 2025, the Compliance Oversight Committee met two times.

The Valuation Committee includes all of the Independent Trustees and Ms. Adams. The function of the Valuation Committee is to review quarterly reports from the Adviser, as the Funds' valuation designee pursuant to Rule 2a-5 under the 1940 Act, pursuant to the procedures used by the Adviser to value securities held by any of the Funds for which current and reliable market quotations are not "readily available" (as defined by Rule 2a-5 under the 1940 Act). The actions of the Valuation Committee are subsequently reviewed and ratified by the Board. The Valuation Committee meets quarterly and also on an as needed basis when deemed necessary. During the fiscal year ended June 30, 2025, the Valuation Committee met four times.

The Board has designated the Adviser as the Funds' valuation designee pursuant to Rule 2a-5 under the 1940 Act and has delegated fair value determinations to the Adviser, subject to the supervision of the Board. The Adviser, as the valuation designee, is responsible for periodically assessing any material risks associated with the determination of the fair value of a Fund's investments, establishing and applying fair value methodologies, testing the appropriateness of fair value methodologies and overseeing and evaluating third-party pricing services. The Adviser has a pricing committee which assists with its designated responsibilities as valuation designee.

**Trustee Ownership of Fund Shares and Other Interests**

The following table shows the aggregate dollar range of equity securities in all registered investment companies overseen by the Trustees in the family of investment companies owned by the Trustees as of December 31, 2024 using the following ranges: None, $1-$10,000, $10,001-$50,000, $50,001-$100,000, and Over $100,000.

| Name of Fund[(1)(2)] | Margaret W. Adams Interested Trustee | Michael D. Hankin Interested Trustee | Darrell N. Braman Independent Trustee | Henry H. Hopkins Independent Trustee | Georgette D. Kiser Independent Trustee | Thomas F. O'Neil III Independent Trustee | Neal F. Triplett Independent Trustee |
|---|---|---|---|---|---|---|---|
| **Brown Advisory Growth Equity Fund** | None | Over $100,000 | None | None | Over $100,000 | None | $10,001-$50,000 |
| **Brown Advisory Flexible Equity Fund** | None | Over $100,000 | None | None | None | None | Over $100,000 |
| **Brown Advisory Sustainable Growth Fund** | None | Over $100,000 | None | None | Over $100,000 | Over $100,000 | None |
| **Brown Advisory Mid-Cap Growth Fund** | None | None | None | None | None | None | None |
| **Brown Advisory Small-Cap Growth Fund** | None | Over $100,000 | None | None | None | None | Over $100,000 |
| **Brown Advisory Small-Cap Fundamental Value Fund** | None | Over $100,000 | None | None | None | None | $50,001-$100,000 |
| **Brown Advisory Sustainable Small-Cap Core Fund** | None | None | None | None | None | $1-$10,000 | None |
| **Brown Advisory Sustainable Value Fund** | None | Over $100,000 | None | None | None | None | None |
| **Brown Advisory Global Leaders Fund** | None | Over $100,000 | None | None | None | None | Over $100,000 |
| **Brown Advisory Sustainable International Leaders Fund** | None | None | None | None | None | $50,001-$100,000 | None |
| **Brown Advisory Intermediate Income Fund** | None | None | None | None | None | None | None |
| **Brown Advisory Sustainable Bond Fund** | None | None | None | None | None | Over $100,000 | None |
| **Brown Advisory Maryland Bond Fund** | None | None | None | None | None | None | None |
| **Brown Advisory Tax-Exempt Bond Fund** | None | None | None | None | None | None | Over $100,000 |
| **Brown Advisory Tax-Exempt Sustainable Bond Fund** | None | None | None | None | None | None | None |
| **Brown Advisory Mortgage Securities Fund** | None | None | None | None | None | None | None |
| **Brown Advisory – WMC Strategic European Equity Fund** | None | None | None | None | None | None | $50,001-$100,000 |
| **Brown Advisory Emerging Markets Select Fund** | None | None | None | Over $100,000 | None | None | Over $100,000 |
| **Brown Advisory – Beutel Goodman Large-Cap Value Fund** | None | None | None | None | None | Over $100,000 | Over $100,000 |
| **Brown Advisory – WMC Japan Equity Fund** | None | None | None | None | None | None | None |

| Name of Fund[1][2] | Margaret W. Adams Interested Trustee | Michael D. Hankin Interested Trustee | Darrell N. Braman Independent Trustee | Henry H. Hopkins Independent Trustee | Georgette D. Kiser Independent Trustee | Thomas F. O'Neil III Independent Trustee | Neal F. Triplett Independent Trustee |
|---|---|---|---|---|---|---|---|
| **Aggregate Dollar Range of Equity Securities in All Registered Investment Companies Overseen by Trustee in Family of Investment Companies** | None | Over $100,000 | None | Over $100,000 | Over $100,000 | Over $100,000 | Over $100,000 |

(1) Beneficial ownership is determined in accordance with Rule 16a-1(a)(2) under the Securities Exchange Act of 1934, as amended.

Neither the Independent Trustees nor members of their immediate family, own securities beneficially or of record in the Adviser, the Sub-Advisers, the Funds' principal underwriter, or any of their affiliates. Accordingly, during the two most recently completed calendar years neither the Independent Trustees nor members of their immediate family have had a direct or indirect interest, the value of which exceeds $120,000, in the Adviser, the Sub-Advisers, the Trust's principal underwriter or any of its affiliates. Ms. Adams had an indirect interest, the value of which exceeded $120,000, in Wellington, a Sub-Adviser to each of the Brown Advisory - WMC Strategic European Equity Fund, Brown Advisory Emerging Markets Select Fund, and Brown Advisory - WMC Japan Equity Fund, as the result of certain payments that Ms. Adams is entitled to receive in connection with her previous employment with the firm.

**Compensation**

Trustees who are not employees of the Adviser receive a retainer fee of $142,000 per year and $6,000 for each meeting attended, as well as reimbursement for reasonable expenses incurred in connection with attendance at meetings. In addition, the Board Chair, the Audit Committee Chair, the Nominating and Corporate Governance Committee Chair, the Valuation Committee Chair and the Compliance Oversight Committee Chair receive additional annual compensation of $20,000, $12,500, $10,000, $10,000 and $10,000, respectively. Furthermore, if designated the Lead Independent Trustee would receive additional annual compensation of $12,500. No other compensation or retirement benefits are received by any Trustee or officer from the Funds.

The following compensation figures represent compensation for the fiscal year ended June 30, 2025 for each of the Trustees:

| Name of Person/Position | Aggregate Compensation from the Funds[1][2] | Pension or Retirement Benefits Accrued as Part of Fund Expenses | Estimated Annual Benefits Upon Retirement | Total Compensation from the Funds and Fund Complex Paid to Trustees |
|---|---|---|---|---|
| Margaret W. Adams, Interested Trustee | $173,401 | $0 | $0 | $173,401 |
| Michael D. Hankin, Interested Trustee[3] | $0 | $0 | $0 | $0 |
| Darrell N. Braman, Independent Trustee[4] | $47,894 | $0 | $0 | $47,894 |
| Henry H. Hopkins, Independent Trustee | $173,401 | $0 | $0 | $173,401 |
| Georgette D. Kiser, Independent Trustee | $173,401 | $0 | $0 | $173,401 |
| Kyle Prechtel Legg, Independent Trustee[5] | $115,901 | $0 | $0 | $115,901 |
| Thomas F. O'Neil III, Independent Trustee | $182,810 | $0 | $0 | $182,810 |
| Neal F. Triplett, Independent Trustee | $175,901 | $0 | $0 | $175,901 |

(1) Trustee fees and expenses are allocated among the Funds in the Trust.
(2) The Fund Complex currently consists of the 20 Funds in the Trust.
(3) As an employee of the Adviser, Mr. Hankin does not receive any compensation for his service on the Board.
(4) Mr. Braman joined the Board in December 2024.
(5) Ms. Legg retired as a Trustee effective December 31, 2024.

## Investment Adviser

### Services of the Adviser

The Adviser serves as investment adviser to each Fund pursuant to an investment advisory agreement with the Trust (the "Advisory Agreement"). The Advisory Agreement was initially approved by the Board of Trustees on May 2, 2012 for a two year period. The Advisory Agreement with respect to the Brown Advisory Emerging Markets Select Fund was initially approved by the Board of Trustees on October 26, 2012 for a two year period. The Advisory Agreement with respect to the Brown Advisory – WMC Strategic European Equity Fund was initially approved by the Board of Trustees on September 6, 2013 for a two year period. The Advisory Agreement with respect to the Brown Advisory Mortgage Securities Fund was initially approved by the Board of Trustees on October 30, 2013 for a two year period. The Advisory Agreement with respect to the Brown Advisory Global Leaders Fund was initially approved by the Board of Trustees on May 6, 2015 for an initial two year period. The Advisory Agreement with respect to the Brown Advisory Sustainable Bond Fund was initially approved by the Board of Trustees on May 16, 2017 for an initial two year period. The Advisory Agreement with respect to the Brown Advisory Mid-Cap Growth Fund was initially approved by the Board of Trustees on September 12, 2017 for an initial two year period. The Advisory Agreement with respect to the Brown Advisory – Beutel Goodman Large-Cap Value Fund was initially approved by the Board of Trustees on February 8, 2018 for an initial two year period. The Advisory Agreement with respect to the Brown Advisory Tax-Exempt Sustainable Bond Fund was initially approved by the Board of Trustees on November 13, 2019 for an initial two year period. The Advisory Agreement with respect to the Brown Advisory Sustainable Small-Cap Core Fund was initially approved by the Board of Trustees on May 11, 2021 for an initial two year period. The Advisory Agreement with respect to the Brown Advisory Sustainable International Leaders Fund was initially approved by the Board of Trustees on November 10, 2021 for an initial two year period. The Advisory Agreement with respect to the Brown Advisory Sustainable Value Fund was initially approved by the Board of Trustees on November 2, 2022 for an initial two year period. The Advisory Agreement with respect to the Brown Advisory – WMC Japan Equity Fund was initially approved by the Board of Trustees on September 10, 2024 for an initial two year period. After the initial two year term, the Advisory Agreement will continue in effect from year to year as long as the continuance is approved at least annually (i) by the Trustees or by vote of a majority of the outstanding voting securities of each Fund, and (ii) by a vote of the majority of the Independent Trustees. The Adviser monitors the performance of each Fund and continuously reviews, supervises and administers its investment program, subject to the direction of, and policies established by, the Board.

Under the Advisory Agreement, the Adviser furnishes, at its own expense, all services, facilities and personnel necessary in connection with managing each Fund's investments and effecting portfolio transactions for each Fund. The Adviser may also pay fees to certain brokers/dealers to have the Funds available for sale through such institutions as well for certain shareholder services provided to customers purchasing Fund shares through such institutions.

### Ownership of the Adviser

The Adviser is a wholly-owned subsidiary of Brown Advisory Management, LLC, a Maryland limited liability company. Brown Advisory Management, LLC is controlled by Brown Advisory Incorporated, a holding company incorporated under the laws of Maryland in 1998. The Adviser does business under the name of Brown Advisory. The Adviser and its affiliates ("Brown Advisory") have provided investment advisory and management services to clients for over 20 years.

### Information Regarding Portfolio Managers

The following information regarding each Fund's portfolio managers has been provided by the Adviser.

**Other Accounts Under Management.** The table below identifies, for each portfolio manager of each Fund, the number of accounts managed (excluding the Funds) and the total assets in such accounts, within each of the following categories: registered investment companies, other pooled investment vehicles, and other accounts. Information in the table is shown as of June 30, 2025. Asset amounts are approximate and have been rounded.

| | Number of Other Accounts Managed and Assets by Account Type | | | Number of Accounts and Assets for which Advisory Fee is Performance Based | | |
|---|---|---|---|---|---|---|
| **Fund and Portfolio Manager** | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts |
| Priyanka Agnihotri | 0<br>$0 | 0<br>$0 | 3<br>$17 million | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Maneesh Bajaj | 1<br>$1.3 billion | 1<br>$879 million | 864<br>$5.5 billion | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Christopher A. Berrier | 0<br>$0 | 4<br>$1.1 billion | 310<br>$3.6 billion | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Garritt Conover | 0<br>$0 | 0<br>$0 | 0<br>$0 | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Emily Dwyer MacLellan | 0<br>$0 | 0<br>$0 | 64<br>$273 million | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Karina Funk | 1<br>$489 million | 2<br>$5.3 billion | 751<br>$7.6 billion | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Timothy Hathaway | 0<br>$0 | 0<br>$0 | 66<br>$303 million | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Amy Hauter | 0<br>$0 | 0<br>$0 | 192<br>$1.3 billion | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Katherine Lee | 0<br>$0 | 0<br>$0 | 134<br>$387 million | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Joshua R. Perry | 0<br>$0 | 0<br>$0 | 821<br>$2.7 billion | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Michael Poggi | 1<br>$126 million | 0<br>$0 | 0<br>$0 | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| David Powell | 1<br>$489 million | 2<br>$5.3 billion | 749<br>$7.6 billion | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Chris Roof | 0<br>$0 | 0<br>$0 | 0<br>$0 | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| George Sakellaris | 0<br>$0 | 4<br>$1.1 billion | 244<br>$3.3 billion | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| J. David Schuster | 0<br>$0 | 2<br>$87 million | 304<br>$817 million | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Stephen M. Shutz | 0<br>$0 | 0<br>$0 | 955<br>$3.0 billion | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Kenneth M. Stuzin | 0<br>$0 | 1<br>$553 million | 209<br>$6.1 billion | 0<br>$0 | 0<br>$0 | 1<br>$201 million |
| Jason Vlosich | 0<br>$0 | 0<br>$0 | 80<br>$1.4 billion | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Emmy Wachtmeister | 0<br>$0 | 0<br>$0 | 0<br>$0 | 0<br>$0 | 0<br>$0 | 0<br>$0 |

**Conflicts of Interest for the Portfolio Managers.** Actual or apparent conflicts of interest may arise when a portfolio manager has day-to-day management responsibilities with respect to more than one Fund or other account. More specifically, portfolio managers who manage multiple Funds and/or other accounts may experience the following potential conflicts: The management of multiple accounts may result in a portfolio manager devoting

unequal time and attention to the management of each account. Investment decisions for client accounts are also made consistent with a client's individual investment objective and needs. Accordingly, there may be circumstances when purchases or sales of securities for one or more client accounts will have an adverse effect on other clients. The Adviser may seek to manage such competing interests by: (1) having a portfolio manager focus on a particular investment discipline; (2) utilizing a quantitative model in managing accounts; and/or (3) reviewing performance differences between similarly managed accounts on a periodic basis to ensure that any such differences are attributable to differences in investment guidelines and timing of cash flows. The Adviser also maintains a Code of Ethics to establish standards and procedures for the detection and prevention of activities by which persons having knowledge of the investments and investment intentions of the Fund may abuse their fiduciary duties to the Fund.

If a portfolio manager identifies a limited investment opportunity that may be suitable for more than one client, the Fund may not be able to take full advantage of that opportunity due to an allocation of filled purchase or sale orders across all eligible accounts. To deal with these situations, the Adviser has adopted procedures for allocating portfolio transactions across multiple accounts and conducting trades on a soft dollar basis, if applicable.

With respect to securities transactions for clients, the Adviser determines which broker to use to execute each order. However, the Adviser may direct securities transactions to a particular broker/dealer for various reasons including receipt of research or participation interests in initial public offerings that may or may not benefit the Fund. To deal with these situations, the Adviser has adopted procedures to help ensure best execution of all client transactions.

Finally, the appearance of a conflict of interest may arise where the Adviser has an incentive, such as a performance-based management fee, which relates to the management of one but not all accounts for which a portfolio manager has day-to-day management responsibilities.

**Information Concerning Compensation of Portfolio Managers.** Each portfolio manager of the Adviser and Brown Advisory Limited receives a compensation package that includes various components, including a base salary and variable incentive bonus. A portfolio manager who is also a member of the Adviser's management team maintains a significant equity interest in Brown Advisory Group Holdings LLC. The incentive bonus is subjective. It takes into consideration a number of factors including but not limited to performance, client satisfaction and service and the profitability of the Adviser's business. When evaluating a portfolio manager's performance the Adviser compares the pre-tax performance of a portfolio manager's accounts to a relative broad-based market index over a trailing 1, 3, and 5 year time period. Accounts managed in the below referenced styles are typically compared to the following indices:

| | |
|---|---|
| Growth Equity Fund | Russell 1000® Growth Index |
| Flexible Equity Fund | S&P 500® Index |
| Sustainable Growth Fund | Russell 1000® Growth Index |
| Mid-Cap Growth Fund | Russell Midcap® Growth Index |
| Small-Cap Growth Fund | Russell 2000® Growth Index |
| Small-Cap Fundamental Value Fund | Russell 2000® Value Index |
| Sustainable Small-Cap Core Fund | Russell 2000® Index |
| Sustainable Value Fund | Russell 1000® Value Index |
| Intermediate Income Fund | Bloomberg Intermediate US Aggregate Bond Index |
| Sustainable Bond Fund | Bloomberg US Aggregate Bond Index |
| Maryland Bond Fund | Bloomberg 1-15 Year Municipal Index |
| Tax-Exempt Bond Fund | Bloomberg 1-15 Year Municipal Index |
| Tax-Exempt Sustainable Bond Fund | Bloomberg 1-15 Year Municipal Index |
| Mortgage Securities Fund | Bloomberg Mortgage Backed Securities Index |

All portions of a portfolio manager's compensation package are paid by the Adviser and not by any client account.

**Portfolio Managers Ownership in the Funds.** As of June 30, 2025, each portfolio manager that retained decision making authority over a Fund's management beneficially owned shares of each Fund as summarized in the

following table using the following ranges: None, $1-$10,000, $10,001-$50,000, $50,001-$100,000, $100,001-$500,000, $500,001-$1,000,000, and over $1,000,000.

| Fund/Portfolio Manager | Dollar Range of Beneficial Ownership in the Fund as of 6/30/25 |
|---|---|
| **Brown Advisory Growth Equity Fund** | |
| Kenneth M. Stuzin | over $1,000,000 |
| **Brown Advisory Flexible Equity Fund** | |
| Maneesh Bajaj | over $1,000,000 |
| **Brown Advisory Sustainable Growth Fund** | |
| Karina Funk | over $1,000,000 |
| David Powell | over $1,000,000 |
| **Brown Advisory Mid-Cap Growth Fund** | |
| Christopher A. Berrier | None |
| George Sakellaris | None |
| Emmy Wachtmeister | over $1,000,000 |
| **Brown Advisory Small-Cap Growth Fund** | |
| Christopher A. Berrier | over $1,000,000 |
| George Sakellaris | None |
| **Brown Advisory Small-Cap Fundamental Value Fund** | |
| J. David Schuster | $500,001-$1,000,000 |
| **Brown Advisory Sustainable Small-Cap Core Fund** | |
| Christopher A. Berrier | None |
| Timothy Hathaway | over $1,000,000 |
| Emily Dwyer MacLellan | $100,001-$500,000 |
| J. David Schuster | None |
| **Brown Advisory Sustainable Value Fund** | |
| Michael Poggi | $100,001-$500,000 |
| **Brown Advisory Intermediate Income Fund** | |
| Jason Vlosich | $10,001-$50,000 |
| **Brown Advisory Sustainable Bond Fund** | |
| Amy Hauter | $50,001-$100,000 |
| Jason Vlosich | $10,001-$50,000 |
| **Brown Advisory Maryland Bond Fund** | |
| Stephen M. Shutz | $50,001-$100,000 |
| Joshua R. Perry | $10,001-$50,000 |
| **Brown Advisory Tax-Exempt Bond Fund** | |
| Stephen M. Shutz | None |
| Joshua R. Perry | $50,001-$100,000 |
| **Brown Advisory Tax-Exempt Sustainable Bond Fund** | |
| Amy Hauter | None |
| Katherine Lee | None |
| Stephen M. Shutz | $50,001-$100,000 |
| **Brown Advisory Mortgage Securities Fund** | |
| Garritt Conover | $10,001-$50,000 |
| Chris Roof | None |

**Investment Sub-Adviser– Brown Advisory Global Leaders Fund and Brown Advisory Sustainable International Leaders Fund**

**Services of the Sub-Adviser – Brown Advisory Limited**

Pursuant to each of the Sub-Advisory Agreements ("Sub-Advisory Agreements") entered into between the Adviser and Brown Advisory Limited on behalf of the Brown Advisory Global Leaders Fund and Brown Advisory Sustainable International Leaders Fund, Brown Advisory Limited manages the securities of the Funds and makes investment decisions for the Funds subject to such policies as the Board of Trustees may determine. By their terms, each Sub-Advisory Agreement will continue in effect for as long as such continuance is specifically approved at least annually by the Board of Trustees or by a vote of a majority of the outstanding voting securities of each fund, and, in either case, by a majority of the Trustees who are not parties to the Sub-Advisory Agreements or interested persons of any such party, at a meeting called for the purpose of voting on the Sub-Advisory Agreements. The Sub-Advisory Agreements can be terminated at any time by the Board of Trustees, the Adviser, or by a vote of a majority of the outstanding voting securities of the Funds, without payment of any penalty, on not less than 60 days' written notice to Brown Advisory Limited, and Brown Advisory Limited may at any time, without the payment of any penalty, terminate the Sub-Advisory Agreements on not less than 60 days' written notice to the Adviser. The Sub-Advisory Agreements automatically and immediately will terminate in the event of their assignment (as defined in the 1940 Act). The Adviser pays Brown Advisory Limited a fee equal to an annual rate of 0.39% and 0.375% of the average daily net assets of the Brown Advisory Global Leaders Fund and Brown Advisory Sustainable International Leaders Fund, respectively.

Brown Advisory Limited's activities are subject to general supervision by the Adviser and the Board of Trustees. Although the Adviser and the Board do not evaluate the investment merits of Brown Advisory Limited's specific securities selections, they do review the performance of Brown Advisory Limited relative to the selection criteria.

The Adviser has ultimate responsibility for the investment performance of the Brown Advisory Global Leaders Fund and Brown Advisory Sustainable International Leaders Fund pursuant to its responsibility to oversee Brown Advisory Limited and recommend its hiring and/or replacement.

**Ownership of the Sub-Adviser**

Brown Advisory Limited is located at 18 Hanover Square, London, W1S 1JY, United Kingdom. Brown Advisory Limited is an affiliate of the Adviser, and is controlled by Brown Advisory Incorporated, a holding company incorporated under the laws of Maryland in 1998.

**Information Regarding the Portfolio Managers**

**Other Accounts Under Management.** The table below identifies, for the portfolio managers of the Brown Advisory Global Leaders Fund and Brown Advisory Sustainable International Leaders Fund, the number of accounts managed (excluding each Fund) and the total assets in such accounts, within each of the following categories: registered investment companies, other pooled investment vehicles, and other accounts. The Fund's portfolio managers do not provide day-to-day management of accounts with performance-based advisory fees. Information in the table is shown as of June 30, 2025. Asset amounts are approximate and have been rounded.

**Brown Advisory Global Leaders Fund**

| | Number of Other Accounts Managed and Assets by Account Type | | | Number of Accounts and Assets for which Advisory Fee is Performance Based | | |
|---|---|---|---|---|---|---|
| **Portfolio Manager** | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts |
| Michael Dillon | 0<br>$0 | 3<br>$5.1 billion | 31<br>$9.9 billion | 0<br>$0 | 0<br>$0 | 7<br>$677 million |
| Bertie Thomson | 0<br>$0 | 2<br>$5.1 billion | 143<br>$6.2 billion | 0<br>$0 | 0<br>$0 | 7<br>$677 million |

**Brown Advisory Sustainable International Leaders Fund**

| | Number of Other Accounts Managed and Assets by Account Type | | | Number of Accounts and Assets for which Advisory Fee is Performance Based | | |
|---|---|---|---|---|---|---|
| **Portfolio Manager** | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts |
| Priyanka Agnihotri | 0<br>$0 | 0<br>$0 | 3<br>$17 million | 0<br>$0 | 0<br>$0 | 0<br>$0 |

**Conflicts of Interest for the Portfolio Managers.** Actual or apparent conflicts of interest may arise when a portfolio manager has day-to-day management responsibilities with respect to more than the Fund or other accounts. More specifically, portfolio managers who manage multiple Funds and/or other accounts may experience the following potential conflicts: The management of multiple accounts may result in a portfolio manager devoting unequal time and attention to the management of each account. Investment decisions for client accounts are also made consistent with a client's individual investment objective and needs. Accordingly, there may be circumstances when purchases or sales of securities for one or more client accounts will have an adverse effect on other clients. Brown Advisory Limited may seek to manage such competing interests by: (1) having a portfolio manager focus on a particular investment discipline; (2) utilizing a quantitative model in managing accounts; and/or (3) reviewing performance differences between similarly managed accounts on a periodic basis to ensure that any such differences are attributable to differences in investment guidelines and timing of cash flows. Brown Advisory Limited also maintains a Code of Ethics to establish standards and procedures for the detection and prevention of activities by which persons having knowledge of the investments and investment intentions of a Fund may abuse their fiduciary duties to the Fund.

If a portfolio manager identifies a limited investment opportunity that may be suitable for more than one client, a Fund may not be able to take full advantage of that opportunity due to an allocation of filled purchase or sale orders across all eligible accounts. To deal with these situations, Brown Advisory Limited has adopted procedures for allocating portfolio transactions across multiple accounts and conducting trades on a soft dollar basis, if applicable.

With respect to securities transactions for clients, Brown Advisory Limited determines which broker to use to execute each order. However, Brown Advisory Limited may direct securities transactions to a particular broker/ dealer for various reasons including receipt of research or participation interests in initial public offerings that may or may not benefit the Fund. To deal with these situations, Brown Advisory Limited has adopted procedures to help ensure best execution of all client transactions.

Finally, the appearance of a conflict of interest may arise where Brown Advisory Limited has an incentive, such as a performance-based management fee, which relates to the management of one but not all accounts for which a portfolio manager has day-to-day management responsibilities.

**Information Concerning Compensation of Portfolio Managers.** Brown Advisory Limited receives a fee based on the assets under management of the Brown Advisory Global Leaders Fund and Brown Advisory Sustainable International Leaders Fund as set forth in each Investment Sub-Advisory Agreement between Brown Advisory Limited and the Adviser on behalf of the Fund. Brown Advisory Limited pays its investment professionals out of its total revenues, including the advisory fees earned with respect to the Funds.

The portfolio managers of Brown Advisory Limited receive a compensation package that includes various components, including a base salary and variable incentive bonus. The incentive bonus takes into consideration a number of factors including, but not limited to, performance, client satisfaction and service and the profitability of Brown Advisory Limited's business. When evaluating a portfolio manager's performance Brown Advisory Limited compares the pre-tax performance of a portfolio manager's accounts to a relative broad-based market index over a trailing 1, 3, and 5 year time period.

| Fund | Benchmark Index |
|---|---|
| Brown Advisory Global Leaders Fund | MSCI ACWI Index |
| Brown Advisory Sustainable International Leaders Fund | MSCI ACWI ex U.S. Index |

All portions of a portfolio manager's compensation package are paid by Brown Advisory Limited and not by any client account.

**Portfolio Managers Ownership in the Funds.** As of June 30, 2025, the portfolio managers that retained decision making authority over the Brown Advisory Global Leaders Fund and Brown Advisory Sustainable International Leaders Fund beneficially owned shares of the Funds as summarized in the following table using the following ranges: None, $1-$10,000, $10,001-$50,000, $50,001-$100,000, $100,001-$500,000, $500,001-$1,000,000, and over $1,000,000.

| Funds/Portfolio Managers | Dollar Range of Beneficial Ownership in the Fund as of 6/30/25 |
|---|---|
| **Brown Advisory Global Leaders Fund** | |
| Michael Dillon | None[(1)] |
| Bertie Thomson | None[(2)] |
| **Brown Advisory Sustainable International Leaders Fund** | |
| Priyanka Agnihotri | $100,001-$500,000 |

[(1)] As of June 30, 2025, Mr. Dillon beneficially owned over $1,000,000 of the shares of the Brown Advisory Global Leaders Fund, a portfolio of Brown Advisory Funds plc, an Irish-registered investment company which has a principal investment strategy that is substantially similar to that of the Fund and for which Mr. Dillon also serves as a portfolio manager.

[(2)] As of June 30, 2025, Mr. Thomson beneficially owned over $1,000.000 of the shares of the Brown Advisory Global Leaders Fund, a portfolio of Brown Advisory Funds plc, an Irish-registered investment company which has a principal investment strategy that is substantially similar to that of the Fund and for which Mr. Thomson also serves as a portfolio manager.

**Investment Sub-Adviser – Brown Advisory – WMC Strategic European Equity Fund, Brown Advisory Emerging Markets Select Fund, and Brown Advisory – WMC Japan Equity Fund**

**Services of the Sub-Adviser – Wellington Management Company LLP**

Pursuant to the Sub-Advisory Agreements ("Sub-Advisory Agreements") entered into between the Adviser and Wellington Management Company LLP ("Wellington Management" or "WMC") on behalf of each of the Brown Advisory – WMC Strategic European Equity Fund, Brown Advisory Emerging Markets Select Fund, and Brown Advisory – WMC Japan Equity Fund, Wellington Management manages the securities of the Funds and makes investment decisions for the Funds subject to such policies as the Board of Trustees may determine. By its terms, the Sub-Advisory Agreements will continue in effect for so as long as such continuance is specifically approved at least annually by the Board of Trustees or by a vote of a majority of the outstanding voting securities of each Fund, and, in either case, by a majority of the Trustees who are not parties to the Sub-Advisory Agreements or interested persons of any such party, at a meeting called for the purpose of voting on the Sub-Advisory Agreements. The Sub-Advisory Agreements can be terminated at any time by the Board of Trustees, the Adviser, or by a majority of the

outstanding voting securities of a Fund, without payment of any penalty, on not less than 60 days' written notice to Wellington Management, and Wellington Management may at any time, without the payment of any penalty, terminate these Sub-Advisory Agreements on not less than 60 days' written notice to the Adviser. The Sub-Advisory Agreements automatically and immediately will terminate in the event of its assignment (as defined in the 1940 Act). The Adviser pays Wellington Management a fee equal to an annual rate of 0.55% of the average daily net assets of the Brown Advisory – WMC Strategic European Equity Fund, 0.55% of the average daily net assets of the Brown Advisory Emerging Markets Select Fund, and 0.50% of the average daily net assets of the Brown Advisory – WMC Japan Equity Fund.

Wellington Management's activities are subject to general supervision by the Adviser and the Board of Trustees. Although the Adviser and the Board do not evaluate the investment merits of each of Wellington Management's specific securities selections, they do review the performance of Wellington Management relative to the selection criteria.

The Adviser has ultimate responsibility for the investment performance of each Fund pursuant to its responsibility to oversee WMC and recommend its hiring and/or replacement.

**Ownership of the Sub-Adviser**

Wellington Management Company LLP, is a Delaware limited liability partnership with principal offices at 280 Congress Street, Boston, Massachusetts 02210. Wellington Management is a professional investment counseling firm which provides investment services to investment companies, employee benefit plans, endowments, foundations and other institutions. Wellington Management and its predecessor organizations have provided investment advisory services for over 90 years. Wellington Management is owned by the partners of Wellington Management Group LLP, a Massachusetts limited liability partnership.

**Information Regarding the Portfolio Managers**

The following information regarding each Fund's portfolio manager(s) has been provided by Wellington Management.

**Other Accounts Under Management**. The table below identifies, for the portfolio manager of the Brown Advisory – WMC Strategic European Equity Fund, and the portfolio manager of the Brown Advisory Emerging Markets Select Fund, the number of accounts managed (excluding the Funds) and the total assets in such accounts, within each of the following categories: registered investment companies, other pooled investment vehicles, and other accounts. Information in the table is shown as of June 30, 2025. Asset amounts are approximate and have been rounded.

| | **Number of Other Accounts Managed and Assets by Account Type** | | | **Number of Accounts and Assets for which Advisory Fee is Performance Based** | | |
|---|---|---|---|---|---|---|
| **Fund [(1)] and Portfolio Manager** | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts |
| **Brown Advisory – WMC Strategic European Equity Fund** | | | | | | |
| C. Dirk Enderlein | 2<br>$63 million | 11<br>$8.6 billion | 16<br>$9.4 billion | 0<br>$0 | 3<br>$1.0 billion | 5<br>$6.2 billion |
| **Brown Advisory Emerging Markets Select Fund** | | | | | | |
| Niraj Bhagwat | 0<br>$0 | 9<br>$1.6 billion | 6<br>$3.4 billion | 0<br>$0 | 4<br>$401 million | 2<br>$1.6 billion |
| **Brown Advisory – WMC Japan Equity Fund** | | | | | | |
| Katsuhro Iwai | 5<br>$147 million | 13<br>$1.6 billion | 17<br>$1.1 billion | 1<br>$61 million | 3<br>$606 million | 2<br>$201 million |

**Conflicts of Interest for the Portfolio Managers**

Individual investment professionals at Wellington Management manage multiple accounts for multiple clients. These accounts may include mutual funds, separate accounts (assets managed on behalf of institutions such, as pension funds, insurance companies, foundations, or separately managed account programs sponsored by financial intermediaries), bank common trust accounts, and hedge funds. Each Fund's portfolio manager is primarily responsible for the day-to-day management of that Fund and may manage accounts in several different investment styles. These accounts may have investment objectives, strategies, time horizons, tax considerations, and risk profiles that differ from those of the Fund. The portfolio managers make investment decisions for each account, including the relevant Fund, based on the investment objectives, policies, practices, benchmarks, cash flows, tax, and other relevant investment considerations applicable to that account. Consequently, the portfolio manager may purchase or sell securities, including IPOs, for one account and not another account, and the performance of securities purchased for one account may vary from the performance of securities purchased for other accounts. Alternatively, these accounts may be managed in a similar fashion to the relevant Fund and thus the accounts may have similar, and in some cases nearly identical, objectives, strategies, and/or holdings to the relevant Fund.

The portfolio manager or other investment professional at Wellington Management may place transactions on behalf of other accounts that are directly or indirectly contrary to investment decisions made on behalf of the relevant Fund, or make investment decisions that are similar to those made for the relevant Fund, both of which have the potential to adversely impact the relevant Fund depending on market conditions. For example, an investment professional may purchase a security in one account while appropriately selling that same security in another account. Similarly, the portfolio manager may purchase the same security for the Funds and one or more other accounts at or about the same time. In those instances, the other accounts will have access to their respective holdings prior to the public disclosure of the Funds' holdings. In addition, some of these accounts have fee structures, including performance fees, which are or have the potential to be higher, in some cases significantly higher, than the fees Wellington Management receives for managing the Fund. Mr. Enderlein, Mr. Bhagwat and Mr. Iwai also manage accounts which pay performance allocations to Wellington Management or its affiliates. Because incentive payments paid by Wellington Management to the portfolio manager are tied to revenues earned by Wellington Management and, where noted, to the performance achieved by the manager in each account, the incentives associated with any given account may be significantly higher or lower than those associated with other accounts managed by a given portfolio manager. Finally, the portfolio manager may hold shares or investments in the other pooled investment vehicles and/ or other accounts identified above.

Wellington Management's goal is to meet its fiduciary obligation to treat all clients fairly and provide high quality investment services to all of its clients. Wellington Management has adopted and implemented policies and procedures, including brokerage and trade allocation policies and procedures that it believes address the conflicts associated with managing multiple accounts for multiple clients. In addition, Wellington Management monitors a variety of areas, including compliance with primary account guidelines, the allocation of IPOs, and compliance with the firm's Code of Ethics, and places additional investment restrictions on investment professionals who manage hedge funds and certain other accounts. Furthermore, senior investment and business personnel at Wellington Management periodically review the performance of Wellington Management's investment professionals. Although Wellington Management does not track the time an investment professional spends on a single account, Wellington Management does periodically assess whether an investment professional has adequate time and resources to effectively manage the investment professional's various client mandates.

**Information Concerning Compensation of Portfolio Managers.**

Wellington Management receives a fee based on the assets under management of each Fund as set forth in the Investment Sub-Advisory Agreement between Wellington Management and the Adviser on behalf of the Funds. Wellington Management pays its investment professionals out of its total revenues, including the advisory fees earned with respect to each Fund.

Wellington Management's compensation structure is designed to attract and retain high-caliber investment professionals necessary to deliver high quality investment management services to its clients. Wellington Management's compensation of each Fund's manager listed in the prospectus who is primarily responsible for the day-to-day management of that Fund ("Portfolio Manager") includes a base salary and incentive components. The

base salary for each Portfolio Manager who is a partner (a "Partner") of Wellington Management Group LLP, the ultimate holding company of Wellington Management, is generally a fixed amount that is determined by the managing partners of Wellington Management Group LLP. Each Portfolio Manager is eligible to receive an incentive payment based on the revenues earned by Wellington Management from the Funds managed by the Portfolio Manager and generally each other account managed by such Portfolio Manager. Each Portfolio Manager's incentive payment relating to the Funds is linked to the gross pre-tax performance of the portion of each Fund managed by the Portfolio Manager compared to the benchmark index and/or peer group identified below over one, three and five-year periods, with an emphasis on five-year results. Wellington Management applies similar incentive compensation structures (although the benchmarks or peer groups, time periods and rates may differ) to other accounts managed by the Portfolio Manager, including accounts with performance fees.

Portfolio-based incentives across all accounts managed by an investment professional can, and typically do, represent a significant portion of an investment professional's overall compensation; incentive compensation varies significantly by individual and can vary significantly from year to year. The Portfolio Manager may also be eligible for bonus payments based on their overall contribution to Wellington Management's business operations. Senior management at Wellington Management may reward individuals as it deems appropriate based on other factors. Each Partner is eligible to participate in a Partner-funded tax qualified retirement plan, the contributions to which are made pursuant to an actuarial formula. Messrs. Enderlein, and Bhagwat are Partners**.**

| **Fund** | **Benchmark Index and/or Peer Group for Incentive Period** |
|---|---|
| Brown Advisory – WMC Strategic European Equity Fund | MSCI Europe Index |
| Brown Advisory Emerging Markets Select Fund | MSCI Emerging Markets Index |
| Brown Advisory – WMC Japan Equity Fund | TOPIX Total Return Index |

**Portfolio Managers Ownership in the Funds.** As of June 30, 2025, the portfolio managers that retained decision making authority over the Brown Advisory – WMC Strategic European Equity Fund and the Brown Advisory Emerging Markets Select Fund beneficially owned shares of such Funds as summarized in the following table using the following ranges: None, $1-$10,000, $10,001-$50,000, $50,001-$100,000, $100,001-$500,000, $500,001-$1,000,000, and over $1,000,000.

| **Fund/Portfolio Manager** | **Dollar Range of Beneficial Ownership in the Fund as of 6/30/25** |
|---|---|
| **Brown Advisory – WMC Strategic European Equity Fund** | |
| C. Dirk Enderlein | None |
| **Brown Advisory Emerging Markets Select Fund** | |
| Niraj Bhagwat | None |
| **Brown Advisory – WMC Japan Equity Fund** | |
| Katshro Iwai | $50,001-$100,000 |

**Investment Sub-Adviser – Brown Advisory Emerging Markets Select Fund**

**Services of the Sub-Adviser – Pzena Investment Management, LLC**

Pursuant to a Sub-Advisory Agreement ("Sub-Advisory Agreement") entered into between the Adviser and Pzena Investment Management, LLC ("Pzena"), Pzena manages the securities of the Brown Advisory Emerging Markets Select Fund and makes investment decisions for the Fund subject to such policies as the Board of Trustees may determine. By its terms, the Sub-Advisory Agreement will continue in effect for so as long as such continuance is specifically approved at least annually by the Board of Trustees or by a vote of a majority of the outstanding voting securities of the Fund, and, in either case, by a majority of the Trustees who are not parties to the Sub-Advisory Agreement or interested persons of any such party, at a meeting called for the purpose of voting on the Sub-Advisory Agreement. The Sub-Advisory Agreement can be terminated at any time by the Board of Trustees, the Adviser, or by a vote of a majority of the outstanding voting securities of the Brown Advisory Emerging Markets

Select Fund, without payment of any penalty, on not less than 60 days' written notice to Pzena, and Pzena may at any time, without the payment of any penalty, terminate this Agreement on not less than 60 days' written notice to the Adviser. The Sub-Advisory Agreement automatically and immediately will terminate in the event of its assignment (as defined in the 1940 Act). The Adviser pays Pzena a fee equal to an annual rate of 0.58% of the average daily net assets of the Fund.

Pzena's activities are subject to general supervision by the Adviser and the Board of Trustees. Although the Adviser and the Board do not evaluate the investment merits of each of Pzena's specific securities selections, they do review the performance of Pzena relative to the selection criteria.

The Adviser has ultimate responsibility for the investment performance of the Fund pursuant to its responsibility to oversee Pzena and recommend its hiring and/or replacement.

**Ownership of the Sub-Adviser**

Pzena Investment Management, LLC is an investment adviser which is registered under the Investment Advisers Act of 1940 and is headquartered in New York. Pzena Investment Management, LLC manages assets in a variety of value-oriented investment strategies across a wide range of market capitalizations in both U.S. and non-U.S. capital markets. The firm is 100% privately owned by its employee members and certain other partners, including former employees.

**Information Regarding Portfolio Managers**

The following information regarding the portfolio managers for the Brown Advisory Emerging Markets Select Fund has been provided by Pzena.

**Other Accounts Under Management**. The table below identifies, for the portfolio manager of the Brown Advisory Emerging Markets Select Fund, the number of accounts managed (excluding the Fund) and the total assets in such accounts, within each of the following categories: registered investment companies, other pooled investment vehicles, and other accounts. Information in the table is shown as of June 30, 2025. Asset amounts are approximate and have been rounded.

| | **Number of Other Accounts Managed and Assets by Account Type** | | | **Number of Accounts and Assets for which Advisory Fee is Performance Based** | | |
|---|---|---|---|---|---|---|
| **Fund and Portfolio Manager** | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts |
| **Brown Advisory Emerging Markets Select Fund** | | | | | | |
| Rakesh Bordia | 17<br>$11 billion | 36<br>$5.0 billion | 41<br>10.0 billion | 0<br>$0 | 3<br>$119 million | 1<br>$2 million |
| Caroline Cai | 18<br>$13 billion | 65<br>$29 billion | 59<br>$16 billion | 0<br>$0 | 4<br>$522 million | 2<br>$661 million |
| Allison Fisch | 17<br>$11 billion | 36<br>$5.0 billion | 40<br>10.0 billion | 0<br>$0 | 3<br>$119 million | 1<br>$2 million |
| Akhil Subramanian | 5<br>$3.1 billion | 18<br>$2.1 billion | 18<br>$6.1 billion | 0<br>$0 | 1<br>$30 million | 0<br>$0 |

**Conflicts of Interest for the Portfolio Managers**

In Pzena's view, conflicts of interest may arise in managing the fund's portfolio investments, on the one hand, and the portfolios of Pzena's other clients and/or accounts (together "Pzena Accounts"), on the other. Set forth below is a brief description of some of the material conflicts that may arise and Pzena's policy or procedure for handling such conflicts.

Although Pzena has designed such procedures to prevent and address conflicts, there is no guarantee that these procedures will detect every situation in which a conflict could arise.

The management of multiple Pzena Accounts inherently carries the risk that there may be competing interests for the portfolio management team's time and attention. Pzena seeks to minimize this by using one investment approach (i.e., classic value investing), and by managing all Pzena Accounts on a strategy-specific basis.

If the portfolio management team identifies a limited investment opportunity that may be suitable for more than one Pzena Account, the fund may not be able to take full advantage of that opportunity; however, Pzena has adopted procedures for allocating portfolio transactions across Pzena Accounts so that each Pzena Account is treated fairly. With respect to partial fills for an order, depending on the size of the execution, Pzena may choose to allocate the executed shares on a pro-rata basis, or on a random basis. As with all trade allocations each Pzena Account generally receives pro-rata allocations of any new issue or IPO security that is appropriate for its investment objective. Permissible reasons for excluding a Pzena Account from an otherwise acceptable IPO or new issue investment include the Pzena Account having FINRA restricted person status, lack of available cash to make the purchase, a client-imposed trading prohibition on IPOs or on the business of the issuer, and brokerage restrictions.

With respect to securities transactions for the Pzena Accounts, Pzena determines which broker to use to execute each order, consistent with its duty to seek best execution. Pzena will bunch or aggregate like orders when it believes doing so will be beneficial to the Pzena Accounts. However, with respect to certain Pzena Accounts, Pzena may be limited by the client with respect to the selection of brokers or may be instructed to direct trades through a particular broker. In these cases, Pzena may place separate, non-simultaneous, transactions for the fund and another Pzena Account, which may temporarily impact the market price of the security or the execution of the transaction to the detriment of one or the other.

Conflicts of interest may arise when members of the portfolio management team transact personally in securities investments made or to be made for the fund or other Pzena Accounts. To address this, Pzena has adopted a written Code of Business Conduct and Ethics designed to prevent and detect personal trading activities that may interfere or conflict with client interests (including fund shareholders' interests) or its current investment strategy. The Code of Business Conduct and Ethics generally requires that most transactions in securities by Pzena's Access Persons and certain related persons, whether or not such securities are purchased or sold on behalf of the Pzena Accounts, be cleared prior to execution by appropriate approving parties and compliance personnel. Securities transactions for Access Persons' personal accounts also are subject to ongoing reporting requirements and annual and quarterly certification requirements. In addition, no Access Person shall be permitted to effect a short-term trade (i.e., to purchase and subsequently sell within 60 calendar days, or to sell and subsequently purchase, within 60 calendar days) of non-exempt securities. Finally, orders for proprietary accounts (i.e., accounts of Pzena's principals, affiliates or employees or their immediate family that are managed by Pzena) are subject to written trade allocation procedures designed to ensure fair treatment of client accounts.

Pzena manages some Pzena Accounts under performance-based fee arrangements. Pzena recognizes that this type of incentive compensation creates the risk for potential conflicts of interest. This structure may create inherent pressure to allocate investments having a greater potential for higher returns to accounts of those clients paying a performance fee. To prevent conflicts of interest associated with managing accounts with different compensation structures, Pzena generally requires portfolio decisions to be made on a product-specific basis. Pzena also requires pre-allocation of all client orders based on specific fee-neutral criteria. Additionally, Pzena requires average pricing of all aggregated orders. Finally, Pzena has adopted a policy prohibiting portfolio managers (and all employees) from placing the investment interests of one client or a group of clients with the same investment objectives above the investment interests of any other client or group of clients with the same or similar investment objectives. These measures help Pzena mitigate some of the conflicts that its management of private investment companies would otherwise present. Investment personnel of the firm or its affiliates may be permitted to be commercially or professionally involved with an issuer of securities. Any potential conflicts of interest from such involvement would be monitored for compliance with the firm's Code of Ethics.

**Information Concerning Compensation of Portfolio Managers**

Portfolio managers and other investment professionals at Pzena are compensated through a combination of a fixed base salary (set annually), performance bonus and equity ownership, if appropriate due to superior performance. The time frame that Pzena examines for bonus compensation is annual. Pzena considers both quantitative and qualitative factors when determining performance bonuses; however, performance bonuses are not based on investment performance or assets under management. For investment professionals, Pzena examines such things as effort, efficiency, ability to focus on the correct issues, stock modeling ability, and ability to successfully interact with company management. However, Pzena always looks at the person as a whole and contributions that he/she has made and is likely to make in the future. Pzena avoids a compensation model that is driven by individual security performance, as this can lead to short-term thinking which is contrary to the firm's value investment philosophy. Ultimately, equity ownership is the primary tool used by Pzena for attracting and retaining the best people.

As a part of Pzena's compensation package, eligible employees whose compensation is in excess of certain thresholds are required to defer a portion of that excess. These deferred amounts may be invested, at the employee's discretion, in certain designated investment options.

In terms of a retirement plan, Pzena offers a defined contribution profit sharing plan with a 401(k) deferral component. All full-time employees and certain part-time employees who have met the age and length of service requirements are eligible to participate in the plan. The plan allows participating employees to make elective deferrals of compensation up to the annual limits which are set by law. The plan provides for a discretionary annual contribution by the operating company which is determined by a formula based on the salaries of eligible employees as defined by the plan.

**Portfolio Managers Ownership in the Fund.** As of June 30, 2025, each portfolio manager that retained decision making authority over the Brown Advisory Emerging Markets Select Fund's management beneficially owned shares of the Fund as summarized in the following table using the following ranges: None, $1-$10,000, $10,001-$50,000, $50,001-$100,000, $100,001-$500,000, $500,001-$1,000,000, and over $1,000,000.

| Fund/Portfolio Manager | Dollar Range of Beneficial Ownership in the Fund as of 6/30/25 |
|---|---|
| **Brown Advisory Emerging Markets Select Fund** | |
| Rakesh Bordia | None |
| Caroline Cai | None |
| Allison Fisch | None |
| Akhil Subramanian | None |

**Investment Sub-Adviser – Brown Advisory – Beutel Goodman Large-Cap Value Fund**

**Services of the Sub-Adviser – Beutel, Goodman & Company Ltd.**

Pursuant to a Sub-Advisory Agreement ("Sub-Advisory Agreement") entered into between the Adviser and Beutel, Goodman & Company Ltd. ("Beutel Goodman" or the "Sub-Adviser"), on behalf of the Fund, Beutel Goodman manages the securities of the Fund and makes investment decisions for the Fund subject to such policies as the Board of Trustees may determine. By its terms, the Sub-Advisory Agreement will continue in effect for so as long as such continuance is specifically approved at least annually by the Board of Trustees or by a vote of a majority of the outstanding voting securities of the Fund, and, in either case, by a majority of the Trustees who are not parties to the Sub-Advisory Agreement or interested persons of any such party, at a meeting called for the purpose of voting on the Sub-Advisory Agreement. The Sub-Advisory Agreement can be terminated at any time by the Board of Trustees, the Adviser, or by a vote of a majority of the outstanding voting securities of the Fund, without payment of any penalty, on not less than 60 days' written notice to Beutel Goodman, and Beutel Goodman may at any time, without the payment of any penalty, terminate the Sub-Advisory Agreement on not less than 60 days' written notice to the Adviser. The Sub-Advisory Agreement automatically and immediately will terminate in the event of its assignment (as defined in the 1940 Act). The Adviser pays Beutel Goodman a fee equal to an annual rate of 0.225% of the average daily net assets of the segment of the Fund that it sub-advises.

Beutel Goodman's activities are subject to general supervision by the Adviser and the Board of Trustees. Although the Adviser and the Board do not evaluate the investment merits of each of Beutel Goodman's specific securities selections, they do review the performance of Beutel Goodman relative to the selection criteria.

The Adviser has ultimate responsibility for the investment performance of the Fund pursuant to its responsibility to oversee Beutel Goodman and recommend its hiring and/or replacement.

**Ownership of the Sub-Adviser**

Beutel Goodman is a privately-owned, independent Canadian investment manager with principal offices at 20 Eglinton Avenue West, Suite 2000, P.O. Box 2005, Toronto, Ontario, Canada M4R 1K8. Beutel Goodman is majority owned by its employees. Affiliated Managers Group, Inc., a Boston-based asset management holding company, holds a minority interest in the firm.

**Information Regarding Portfolio Managers**

The following information regarding the Brown Advisory – Beutel Goodman Large-Cap Value Fund's portfolio managers has been provided by the Beutel Goodman.

**Other Accounts Under Management.** The table below identifies, for the portfolio managers of the Brown Advisory – Beutel Goodman Large-Cap Value, the number of accounts managed (excluding the Fund) and the total assets in such accounts, within each of the following categories: registered investment companies, other pooled investment vehicles, and other accounts. Information in the table is shown as of June 30, 2025. Asset amounts are approximate and have been rounded.

| | **Number of Other Accounts Managed and Assets by Account Type** | | | **Number of Accounts and Assets for which Advisory Fee is Performance Based** | | |
|---|---|---|---|---|---|---|
| **Portfolio Manager** | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts | Registered Investment Companies | Other Pooled Investment Vehicles | Other Accounts |
| Rui Cardoso | 0<br>$0 | 38<br>$2.6 billion | 34<br>$2.4 billion | 0<br>$0 | 0<br>$0 | 0<br>$0 |
| Glenn Fortin | 0<br>$0 | 38<br>$2.6 billion | 34<br>$2.4 billion | 0<br>$0 | 0<br>$0 | 0<br>$0 |

**Conflicts of Interest for the Portfolio Managers.**

Beutel Goodman has adopted policies and procedures that address conflicts of interest that may arise between a portfolio manager's management of the Fund and their management of other accounts. Potential areas of conflict could involve allocation of investment opportunities and trades among the Fund and other accounts, use of information regarding the timing of the Fund's trades, and personal investing activities. Beutel Goodman has adopted policies and procedures that it believes are reasonably designed to address these conflicts. However, there is no guarantee that such policies and procedures will be effective or that Beutel Goodman will anticipate all potential conflicts of interest.

**Information Concerning Compensation of the Portfolio Managers.**

The portfolio managers are compensated in various forms. The portfolio managers' salary and retirement plan benefits are not based directly on the performance of the Brown Advisory – Beutel Goodman Large-Cap Value Fund or the value of the Fund's assets. Bonus compensation is based on the Brown Advisory – Beutel Goodman Large-Cap Value Fund's performance as compared to peers and relevant indices, paid over rolling 3-year periods. Portfolio managers are also compensated through their ownership of private shares of Beutel Goodman.

**Portfolio Managers Ownership in the Fund.** As of June 30, 2025, each portfolio manager that retained decision making authority over the Brown Advisory – Beutel Goodman Large-Cap Value Fund's management beneficially

owned shares of the Fund as summarized in the following table using the following ranges: None, $1-$10,000, $10,001-$50,000, $50,001-$100,000, $100,001-$500,000, $500,001-$1,000,000, and over $1,000,000.

| Fund/Portfolio Manager | Dollar Range of Beneficial Ownership in the Fund as of 6/30/25 |
|---|---|
| **Brown Advisory – Beutel Goodman Large-Cap Value** | |
| Rui Cardoso | None |
| Glenn Fortin | None |

**Advisory Fees**

The Adviser's fee is calculated as a percentage of each Fund's average daily net assets. The fee, if not waived, is accrued daily by each Fund and is assessed to each class based on average net assets for the previous month. The Adviser's fee is paid monthly based on average net assets for the prior month.

In addition to receiving its advisory fee from each Fund, the Adviser may also act and be compensated as investment manager for its clients with respect to assets they invested in each Fund. If you have a separately managed account with the Adviser with assets invested in a Fund, the Adviser will credit an amount equal to all or a portion of the fees received by the Adviser against any investment management fee received from you.

The Adviser may also receive compensation from certain omnibus account providers for providing shareholder services to Fund shareholders.

The following table shows the dollar amount of the fees payable by each Fund to the Adviser, the amount of fees waived by the Adviser, if any, and the actual fees received by the Adviser. The data presented are for the past three fiscal years (or shorter period depending on the Fund's commencement of operations).

| Fund/Fiscal Year End* | Advisory Fee Accrued | Advisory Fee Waived and/or Expenses Reimbursed | Recouped Fees and Expenses | Net Advisory Fee Received |
|---|---|---|---|---|
| **Brown Advisory Growth Equity Fund** | | | | |
| Year Ended June 30, 2025 | $5,213,858 | $0 | $0 | $5,213,858 |
| Year Ended June 30, 2024 | $11,163,764 | $0 | $0 | $11,163,764 |
| Year Ended June 30, 2023 | $13,506,965 | $0 | $0 | $13,506,965 |
| **Brown Advisory Flexible Equity Fund** | | | | |
| Year Ended June 30, 2025 | $4,143,680 | $0 | $0 | $4,143,680 |
| Year Ended June 30, 2024 | $3,382,149 | $0 | $0 | $3,382,149 |
| Year Ended June 30, 2023 | $2,735,029 | $0 | $0 | $2,735,029 |
| **Brown Advisory Sustainable Growth Fund** | | | | |
| Year Ended June 30, 2025 | $47,705,230 | $0 | $0 | $47,705,230 |
| Year Ended June 30, 2024 | $44,709,096 | $0 | $0 | $44,709,096 |
| Year Ended June 30, 2023 | $33,265,353 | $0 | $0 | $33,265,353 |
| **Brown Advisory Mid-Cap Growth Fund** | | | | |
| Year Ended June 30, 2025 | $540,236 | $29,045 | $0 | $511,191 |
| Year Ended June 30, 2024 | $617,822 | $17,028 | $0 | $600,794 |
| Year Ended June 30, 2023 | $666,233 | $11,288 | $0 | $654,945 |
| **Brown Advisory Small-Cap Growth Fund** | | | | |
| Year Ended June 30, 2025 | $11,838,825 | $0 | $0 | $11,838,825 |
| Year Ended June 30, 2024 | $17,495,020 | $0 | $0 | $17,495,020 |
| Year Ended June 30, 2023 | $17,438,315 | $0 | $0 | $17,438,315 |
| **Brown Advisory Small-Cap Fundamental Value Fund** | | | | |

| Fund/Fiscal Year End* | Advisory Fee Accrued | Advisory Fee Waived and/or Expenses Reimbursed | Recouped Fees and Expenses | Net Advisory Fee Received |
|---|---|---|---|---|
| Year Ended June 30, 2025 | $11,566,211 | $0 | $0 | $11,566,211 |
| Year Ended June 30, 2024 | $10,832,482 | $0 | $0 | $10,832,482 |
| Year Ended June 30, 2023 | $9,970,471 | $0 | $0 | $9,970,471 |
| **Brown Advisory Sustainable Small-Cap Core Fund** | | | | |
| Year Ended June 30, 2025 | $765,203 | $100,400 | $0 | $664,803 |
| Year Ended June 30, 2024 | $544,959 | $92,246 | $0 | $452,713 |
| Year Ended June 30, 2023 | $356,117 | $96,918 | $0 | $259,199 |
| **Brown Advisory Sustainable Value Fund** | | | | |
| Year Ended June 30, 2025 | $792,003 | $74,924 | $0 | $717,079 |
| Year Ended June 30, 2024 | $412,864 | $75,923 | $0 | $336,941 |
| Period Ended June 30, 2023[(1)] | $72,075 | $56,368 | $0 | $15,707 |
| **Brown Advisory Global Leaders Fund** | | | | |
| Year Ended June 30, 2025 | $13,850,998 | $0 | $0 | $13,850,998 |
| Year Ended June 30, 2024 | $10,818,764 | $0 | $0 | $10,818,764 |
| Year Ended June 30, 2023 | $8,068,001 | $0 | $0 | $8,068,001 |
| **Brown Advisory Sustainable International Leaders Fund** | | | | |
| Year Ended June 30, 2025 | $280,147 | $116,788 | $0 | $163,359 |
| Year Ended June 30, 2024 | $235,469 | $104,346 | $0 | $131,123 |
| Year Ended June 30, 2023 | $113,574 | $110,385 | $0 | $3,189 |
| **Brown Advisory Intermediate Income Fund** | | | | |
| Year Ended June 30, 2025 | $371,376 | $3,864 | $3,096 | $370,608 |
| Year Ended June 30, 2024 | $358,475 | $47,676 | $0 | $310,799 |
| Year Ended June 30, 2023 | $394,077 | $47,084 | $0 | $346,993 |
| **Brown Advisory Sustainable Bond Fund** | | | | |
| Year Ended June 30, 2025 | $1,734,450 | $0 | $0 | $1,734,450 |
| Year Ended June 30, 2024 | $1,788,733 | $0 | $0 | $1,788,733 |
| Year Ended June 30, 2023 | $1,009,823 | $0 | $0 | $1,009,823 |
| **Brown Advisory Maryland Bond Fund** | | | | |
| Year Ended June 30, 2025 | $505,391 | $0 | $0 | $505,391 |
| Year Ended June 30, 2024 | $499,594 | $0 | $0 | $499,594 |
| Year Ended June 30, 2023 | $497,156 | $0 | $0 | $497,156 |
| **Brown Advisory Tax-Exempt Bond Fund** | | | | |
| Year Ended June 30, 2025 | $3,041,771 | $0 | $0 | $3,041,771 |
| Year Ended June 30, 2024 | $2,528,277 | $0 | $0 | $2,528,277 |
| Year Ended June 30, 2023 | $2,255,552 | $0 | $0 | $2,255,552 |
| **Brown Advisory Tax-Exempt Sustainable Bond Fund** | | | | |
| Year Ended June 30, 2025 | $873,602 | $0 | $0 | $873,602 |
| Year Ended June 30, 2024 | $870,961 | $0 | $0 | $870,961 |
| Year Ended June 30, 2023 | $907,428 | $0 | $0 | $907,428 |
| **Brown Advisory Mortgage Securities Fund** | | | | |
| Year Ended June 30, 2025 | $870,085 | $0 | $0 | $870,085 |
| Year Ended June 30, 2024 | $869,152 | $0 | $0 | $869,152 |
| Year Ended June 30, 2023 | $925,904 | $0 | $0 | $925,904 |
| **Brown Advisory – WMC Strategic European Equity Fund** | | | | |
| Year Ended June 30, 2025 | $3,714,220 | $0 | $0 | $3,714,220 |

| Fund/Fiscal Year End* | Advisory Fee Accrued | Advisory Fee Waived and/or Expenses Reimbursed | Recouped Fees and Expenses | Net Advisory Fee Received |
|---|---|---|---|---|
| Year Ended June 30, 2024 | $2,576,769 | $0 | $0 | $2,576,769 |
| Year Ended June 30, 2023 | $1,944,111 | $0 | $0 | $1,944,111 |
| **Brown Advisory Emerging Markets Select Fund** | | | | |
| Year Ended June 30, 2025 | $5,694,560 | $0 | $0 | $5,694,560 |
| Year Ended June 30, 2024 | $5,179,044 | $0 | $0 | $5,179,044 |
| Year Ended June 30, 2023 | $4,475,037 | $0 | $0 | $4,475,037 |
| **Brown Advisory – Beutel Goodman Large-Cap Value Fund** | | | | |
| Year Ended June 30, 2025 | $8,604,338 | $0 | $0 | $8,604,338 |
| Year Ended June 30, 2024 | $7,815,836 | $0 | $0 | $7,815,836 |
| Year Ended June 30, 2023 | $6,619,867 | $0 | $0 | $6,619,867 |
| **Brown Advisory – WMC Japan Equity Fund** | | | | |
| Year Ended June 30, 2025[(2)] | $929,993 | $12,480 | $0 | $917,513 |

1. The Brown Advisory Sustainable Value Fund commenced operations on February 28, 2023.
2. The Brown Advisory – WMC Japan Equity Fund commenced operations on September 30, 2024.

For the fiscal year ended June 30, 2025, the Adviser waived $29,045 in expenses for the Mid-Cap Growth Fund, $100,400 in expenses for the Sustainable Small-Cap Core Fund, $74,924 in expenses for the Sustainable Value Fund, $116,788 in expenses for the Sustainable International Leaders Fund, and $12,480 in expenses for WMC Japan Equity Fund. The Adviser may recoup any waived amounts from the Funds if such reimbursement does not cause the Funds to exceed its existing expense limitations or the limitation in place at the time the reduction was originally made and the amount recouped is made within three years after the date on which the Adviser incurred the expense. The Funds must pay their current ordinary operating expenses before the Adviser is entitled to any recoupment of previously waived fees and/or expenses. At June 30, 2025, the cumulative amounts of previously waived fees that the Adviser may recoup from the Funds is shown in the following table:

| Fund | June 30, | | | |
|---|---|---|---|---|
| | 2026 | 2027 | 2028 | Total |
| Brown Advisory Mid-Cap Growth Fund | $11,288 | $17,028 | $29,045 | $57,361 |
| Brown Advisory Sustainable Small-Cap Core Fund | $96,918 | $92,246 | $100,400 | $289,564 |
| Brown Advisory Sustainable Value Fund | $56,368 | $75,923 | $74,924 | $207,215 |
| Brown Advisory Sustainable International Leaders Fund | $110,385 | $104,346 | $116,788 | $331,519 |
| Brown Advisory - WMC Japan Equity Fund | N/A | N/A | $12,480 | $12,480 |

During the year ended June 30, 2025, the Adviser recovered $3,096 of previously waived fees in the Intermediate Income Fund.

**Sub-Advisory Fees**

The Adviser pays Brown Advisory Limited a fee out of its advisory fee that is based on a percentage of the average daily net assets managed by Brown Advisory Limited. For the fiscal years ended June 30, 2025, 2024 and 2023, the following fee, as a percentage of the average daily net assets of the Brown Advisory Global Leaders Fund and Brown Advisory Sustainable International Leaders Fund was paid to Brown Advisory Limited:

| | Percentage of average daily net assets | Net Sub-Advisory Fee Paid |
|---|---|---|
| **Brown Advisory Global Leaders Fund** | | |
| Year Ended June 30, 2025 | 0.39% | $8,310,599 |
| Year Ended June 30, 2024 | 0.39% | $6,491,258 |
| Year Ended June 30, 2023 | 0.39% | $4,840,801 |
| **Brown Advisory Sustainable International Leaders Fund** | | |
| Year Ended June 30, 2025 | 0.375% | $140,074 |
| Year Ended June 30, 2024 | 0.375% | $117,734 |
| Year Ended June 30, 2023 | 0.375% | $57,203 |

The Adviser pays Wellington Management a fee out of its advisory fee that is based on a percentage of the average daily net assets managed by Wellington Management. For the fiscal years ended June 30, 2025, 2024, and 2023, the following sub-advisory fee, as a percentage of the Brown Advisory – WMC Strategic European Equity and Brown Advisory Emerging Markets Select Fund was paid by the Adviser to Wellington Management:

| Fund /Fiscal Year End | Percentage of average daily net assets | Net Sub-Advisory Fee Paid |
|---|---|---|
| **Brown Advisory – WMC Strategic European Equity Fund** | | |
| Year Ended June 30, 2025 | 0.55% | $2,269,801 |
| Year Ended June 30, 2024 | 0.55% | $1,574,692 |
| Year Ended June 30, 2023 | 0.55% | $1,188,068 |
| **Brown Advisory Emerging Markets Select Fund** | | |
| Year Ended June 30, 2025 | 0.55% | $2,093,851 |
| Year Ended June 30, 2024 | 0.55% | $1,873,082 |
| Year Ended June 30, 2023 | 0.55% | $1,599,663 |
| **Brown Advisory - WMC Japan Equity Fund** | | |
| Year Ended June 30, 2025* | 0.50% | $581,245 |

* The Brown Advisory – WMC Japan Equity Fund commenced operations on September 30, 2024.

The Adviser pays Pzena a fee out of its advisory fee that is based on a percentage of the average daily net assets managed by Pzena. For the fiscal years ended June 30, 2025, 2024 and 2023, the following fee, as a percentage of the Brown Advisory Emerging Markets Select Fund's average daily net assets, was paid to Pzena:

| | Percentage of average daily net assets | Net Sub-Advisory Fee Paid |
|---|---|---|
| **Brown Advisory Emerging Markets Select Fund** | | |
| Year Ended June 30, 2025 | 0.58% | $1,457,864 |
| Year Ended June 30, 2024 | 0.58% | $1,358,789 |
| Year Ended June 30, 2023 | 0.58% | $1,183,290 |

The Adviser pays Beutel Goodman a fee out of its advisory fee that is based on a percentage of the average daily net assets managed by Beutel Goodman. For the fiscal years ended June 30, 2025, 2024, and 2023, the following fee as a percentage of the Brown Advisory - Beutel Goodman Large-Cap Value Fund average daily net assets, was paid to Beutel Goodman & Company, Ltd.

| | Percentage of average daily net assets | Net Sub-Advisory Fee Paid |
|---|---|---|
| **Brown Advisory – Beutel Goodman Large-Cap Value Fund** | | |
| Year Ended June 30, 2025 | 0.225% | $4,302,169 |
| Year Ended June 30, 2024 | 0.225% | $3,907,918 |
| Year Ended June 30, 2023 | 0.225% | $3,309,934 |

**Expense Limitation Agreements**

The Adviser has contractually agreed to waive its fees and/or reimburse certain expenses (excluding taxes, interest, portfolio transaction expenses, acquired fund fees and expenses and extraordinary expenses) in order to limit each Fund's total expenses as follows:

| Fund | Institutional Shares | Investor Shares | Advisor Shares |
|---|---|---|---|
| Brown Advisory Growth Equity Fund | 0.82% | 0.97% | 1.22% |
| Brown Advisory Flexible Equity Fund | 0.82% | 0.97% | 1.22% |
| Brown Advisory Sustainable Growth Fund | 0.82% | 0.97% | 1.22% |
| Brown Advisory Mid-Cap Growth Fund | 0.82% | 0.97% | 1.22% |
| Brown Advisory Small-Cap Growth Fund | 1.04% | 1.19% | 1.44% |
| Brown Advisory Small-Cap Fundamental Value Fund | 1.03% | 1.18% | 1.43% |
| Brown Advisory Sustainable Small-Cap Core Fund | 0.93% | 1.08% | 1.33% |
| Brown Advisory Sustainable Value Fund | 0.70% | 0.85% | 1.10% |
| Brown Advisory Global Leaders Fund | 0.87% | 1.02% | 1.27% |
| Brown Advisory Sustainable International Leaders Fund | 0.85% | 1.00% | 1.25% |
| Brown Advisory Intermediate Income Fund | 0.48% | 0.53% | 0.78% |
| Brown Advisory Sustainable Bond Fund | 0.53% | 0.58% | 0.83% |
| Brown Advisory Maryland Bond Fund | 0.55% | 0.60% | 0.85% |
| Brown Advisory Tax-Exempt Bond Fund | 0.62% | 0.67% | 0.92% |
| Brown Advisory Tax-Exempt Sustainable Bond Fund | 0.62% | 0.67% | 0.92% |
| Brown Advisory Mortgage Securities Fund | 0.55% | 0.60% | 0.85% |
| Brown Advisory – WMC Strategic European Equity Fund | 1.11% | 1.26% | 1.51% |
| Brown Advisory Emerging Markets Select Fund | 1.17% | 1.32% | 1.57% |
| Brown Advisory – Beutel Goodman Large-Cap Value Fund | 0.70% | 0.85% | 1.10% |
| Brown Advisory – WMC Japan Equity Fund | 1.00% | 1.15% | 1.40% |

Under the Expense Limitation Agreements, the Adviser may recapture waived fees and expenses borne for a three-year period under specified conditions.

The Expense Limitation Agreement will remain in effect until October 31, 2026. The contractual waivers and expense reimbursements may be changed or eliminated at any time by the Board of Trustees upon 60 days' written notice to the Adviser, or by the Adviser with the consent of the Board of Trustees.

**Other Provisions of Advisory Agreement and Sub-Advisory Agreements**

The Adviser and the Sub-Advisers are not affiliated with Fund Services, the Trust's administrator, fund accountant and transfer agent, or any company affiliated with Fund Services. The Advisory Agreement and Sub-Advisory Agreements remain in effect for a period of two years from the date of their initial effectiveness. Subsequently, the Advisory Agreement and Sub-Advisory Agreements must be approved at least annually by the Board or by majority vote of the shareholders, and in either case by a majority of the Trustees who are not parties to the agreements or interested persons of any such party (other than as Trustees of the Trust).

The Advisory Agreement and Sub-Advisory Agreements are terminable without penalty by the Trust with respect to the Fund on 60 days' written notice when authorized either by vote of the Fund's shareholders or by a majority vote of the Board, or by the Adviser and/or Sub-Advisers on 60 days' written notice to the Trust. The Advisory Agreement and Sub-Advisory Agreements terminate immediately upon assignment (as defined in the 1940 Act).

Under the Advisory Agreement, the Adviser is not liable for any error of judgment, mistake of law, or in any event whatsoever except for willful misfeasance, bad faith or gross negligence in the performance of its duties or by reason of reckless disregard of its obligations and duties under the agreement. Likewise, under the Sub-Advisory Agreements, the Sub-Advisers are not liable for any error of judgment, mistake of law, or in any event whatsoever except for willful misfeasance, bad faith or gross negligence in the performance of its duties or by reason of reckless disregard of its obligations and duties under the agreement.

**Distributor**

**Distribution Services**

ALPS Distributors, Inc., 1290 Broadway, Suite 1100, Denver, Colorado 80203 ("ALPS"), serves as each Fund's principal underwriter in a continuous public offering of the Fund's shares. Pursuant to the distribution agreement between the Trust and ALPS adopted on February 20, 2019 (the "Distribution Agreement"), ALPS acts as each Fund's principal underwriter and distributor and provides certain administration services and promotes and arranges for the sale of each Fund's shares. ALPS is a registered broker-dealer under the Securities Exchange Act of 1934, as amended, and is a member of the Financial Industry Regulatory Authority ("FINRA"). ALPS is a wholly-owned subsidiary of SS&C Technologies, Inc., a publicly-traded company providing global investment and financial services.

The Distribution Agreement between the Trust and ALPS has an initial term of two years and subsequently will continue in effect only if such continuance is specifically approved at least annually by the Board or by vote of a majority of a Fund's outstanding voting securities and, in either case, by a majority of the Independent Trustees. The Distribution Agreement is terminable without penalty by the Trust on behalf of a Fund on a 60-day written notice when authorized either by a majority vote of the Fund's shareholders or by vote of a majority of the Board, including a majority of the Independent Trustees, or by ALPS on a 60-day written notice, and will automatically terminate in the event of its "assignment" (as defined in the 1940 Act).

**Distribution Plan – (Advisor Shares)**

On May 2, 2012, the Trust adopted a distribution plan for their Advisor Shares pursuant to Rule 12b-1 under the 1940 Act (the "12b-1 Plan"). Under the 12b-1 Plan, each Fund pays a fee to the Distributor for distribution services (the "Distribution Fee") at an annual rate of 0.25% for Advisor Shares of the Fund's average daily net asset value of its Advisor Shares. The 12b-1 Plan provides that the Distributor may use all or any portion of such Distribution Fee to finance any activity that is principally intended to result in the sale of Fund shares, subject to the terms of the 12b-1 Plan, or to provide certain shareholder services.

The Distribution Fee is payable to the Distributor regardless of the distribution-related expenses actually incurred. Because the Distribution Fee is not directly tied to expenses, the amount of distribution fees paid by the Advisor Shares of a Fund during any year may be more or less than actual expenses incurred pursuant to the 12b-1 Plan. For this reason, this type of distribution fee arrangement is characterized by the staff of the SEC as a "compensation" plan.

The Distributor may use the Distribution Fee to pay for services covered by the 12b-1 Plan including, but not limited to, advertising, compensating underwriters, dealers and selling personnel engaged in the distribution of Fund shares, the printing and mailing of prospectuses, statements of additional information and reports, the printing and mailing of sales literature pertaining to the Funds, and obtaining whatever information, analyses and reports with respect to marketing and promotional activities that the Funds may, from time to time, deem advisable.

The 12b-1 Plan provides that it will continue from year to year upon approval by the majority vote of the Board, including a majority of the trustees who are not "interested persons" of the Funds, as defined in the 1940 Act, and who have no direct or indirect financial interest in the operations of the 12b-1 Plan or in any agreement related to such plan (the "Qualified Trustees"), as required by the 1940 Act, currently cast in person at a meeting called for that purpose, provided that such trustees have made a determination that there is a reasonable likelihood that the 12b-1 Plan will benefit the Fund and its shareholders. It is also required that the trustees who are not "interested persons" of the Funds, select and nominate all other trustees who are not "interested persons" of the Funds. The 12b-1 Plan and any related agreements may not be amended to materially increase the amounts to be spent for distribution expenses without approval of shareholders holding a majority of the Fund shares outstanding. All material amendments to the 12b-1 Plan or any related agreements must be approved by a vote of a majority of the Board and the Qualified Trustees, cast in person at a meeting called for the purpose of voting on any such amendment.

The 12b-1 Plan requires that the Distributor provide to the Board, at least quarterly, a written report on the amounts and purpose of any payment made under the 12b-1 Plan. The Distributor is also required to furnish the Board with such other information as may reasonably be requested in order to enable the Board to make an informed determination of whether the 12b-1 Plan should be continued.

As noted above, the 12b-1 Plan provides for the ability to use Fund assets to pay financial intermediaries (including those that sponsor mutual fund supermarkets), plan administrators and other service providers to finance any activity that is principally intended to result in the sale of Fund shares (distribution services) and for the provision of personal services to shareholders. The payments made by the Funds to financial intermediaries are based primarily on the dollar amount of assets invested in the Funds through the financial intermediaries. These financial intermediaries may pay a portion of the payments that they receive from the Fund to their investment professionals. In addition to the ongoing asset-based fees paid to these financial intermediaries under the Funds' 12b-1 Plan, the Funds may, from time to time, make payments under the 12b-1 Plan that help defray the expenses incurred by these intermediaries for conducting training and educational meetings about various aspects of the Funds for their employees. In addition, the Funds may make payments under the 12b-1 Plan for exhibition space and otherwise help defray the expenses these financial intermediaries incur in hosting client seminars where the Funds are discussed.

In addition, the Funds may participate in various "fund supermarkets" in which a mutual fund supermarket sponsor (usually a broker-dealer) offers many mutual funds to the sponsor's customers without charging the customers a sales charge. In connection with its participation in such platforms, the Distributor may use all or a portion of the Distribution Fee to pay one or more supermarket sponsors a negotiated fee for distributing the Funds' shares. In addition, in its discretion, the Adviser may pay additional fees to such intermediaries from its own assets.

Any material amendment to the 12b-1 Plan must be approved by the Board, including a majority of the Independent Trustees, or by a vote of a "majority" (as defined in the 1940 Act) of the outstanding voting securities of the applicable class or classes. The 12b-1 Plan may be terminated, with respect to a class or classes of the Fund, without penalty at any time: (1) by vote of a majority of the Board, including a majority of the Independent Trustees; or (2) by a vote of a "majority" (as defined in the 1940 Act) of the outstanding voting securities of the applicable class or classes.

The tables below show the amount of 12b-1 fees incurred and the allocation of such fees by Advisor Shares of the Funds for the fiscal year ended June 30, 2025.

| Fund* | 12b-1 fees incurred |
|---|---|
| Brown Advisory Growth Equity Fund | $36,713 |
| Brown Advisory Flexible Equity Fund | $19,094 |
| Brown Advisory Sustainable Growth Fund | $1,035,969 |
| Brown Advisory Mid-Cap Growth Fund | $— |
| Brown Advisory Small-Cap Growth Fund | $19,270 |
| Brown Advisory Small-Cap Fundamental Value Fund | $7,244 |
| Brown Advisory Sustainable Small-Cap Core Fund | $— |
| Brown Advisory Sustainable Value Fund | $— |
| Brown Advisory Global Leaders Fund | $— |
| Brown Advisory Sustainable International Leaders Fund | $— |
| Brown Advisory Intermediate Income Fund | $6,619 |
| Brown Advisory Sustainable Bond Fund | $— |
| Brown Advisory Maryland Bond Fund | $— |
| Brown Advisory Tax-Exempt Bond Fund | $— |
| Brown Advisory Tax-Exempt Sustainable Bond Fund | $— |
| Brown Advisory Mortgage Securities Fund | $— |
| Brown Advisory – WMC Strategic European Equity Fund | $13,692 |
| Brown Advisory Emerging Markets Select Fund | $574 |
| Brown Advisory – Beutel Goodman Large-Cap Value Fund | $— |
| Brown Advisory – WMC Japan Equity Fund* | $— |

*The Brown Advisory – WMC Japan Equity Fund commenced operations on September 30, 2024.

| Fund* | Advertising and Marketing | Printing and Postage | Payment to Distributor | Payment to Dealers | Compensation to Sales Personnel | Other Expenses |
|---|---|---|---|---|---|---|
| Brown Advisory Growth Equity Fund | $0 | $0 | $36,713 | $0 | $0 | $0 |
| Brown Advisory Flexible Equity Fund | $0 | $0 | $19,094 | $0 | $0 | $0 |
| Brown Advisory Sustainable Growth Fund | $0 | $0 | $1,035,969 | $0 | $0 | $0 |
| Brown Advisory Mid-Cap Growth Fund | $0 | $0 | $0 | $0 | $0 | $0 |
| Brown Advisory Small-Cap Growth Fund | $0 | $0 | $19,270 | $0 | $0 | $0 |
| Brown Advisory Small-Cap Fundamental Value Fund | $0 | $0 | $7,244 | $0 | $0 | $0 |
| Brown Advisory Sustainable Small-Cap Core Fund | $0 | $0 | $0 | $0 | $0 | $0 |
| Brown Advisory Sustainable Value Fund | $0 | $0 | $0 | $0 | $0 | $0 |
| Brown Advisory Global Leaders Fund | $0 | $0 | $0 | $0 | $0 | $0 |
| Brown Advisory Sustainable International Leaders Fund | $0 | $0 | $0 | $0 | $0 | $0 |
| Brown Advisory Intermediate Income Fund | $0 | $0 | $6,619 | $0 | $0 | $0 |
| Brown Advisory Sustainable Bond Fund | $0 | $0 | $0 | $0 | $0 | $0 |
| Brown Advisory Maryland Bond Fund | $0 | $0 | $0 | $0 | $0 | $0 |
| Brown Advisory Tax-Exempt Bond Fund | $0 | $0 | $0 | $0 | $0 | $0 |
| Brown Advisory Tax-Exempt Sustainable Bond Fund | $0 | $0 | $0 | $0 | $0 | $0 |
| Brown Advisory Mortgage Securities Fund | $0 | $0 | $0 | $0 | $0 | $0 |
| Brown Advisory – WMC Strategic European Equity Fund | $0 | $0 | $13,692 | $0 | $0 | $0 |
| Brown Advisory Emerging Markets Select Fund | $0 | $0 | $574 | $0 | $0 | $0 |
| Brown Advisory – Beutel Goodman Large-Cap Value Fund | $0 | $0 | $0 | $0 | $0 | $0 |
| Brown Advisory – WMC Japan Equity Fund* | $0 | $0 | $0 | $0 | $0 | $0 |

* The Brown Advisory – WMC Japan Equity Fund commenced operations on September 30, 2024.

**Shareholder Servicing Plan – (Advisor and Investor Shares)**

Pursuant to the Shareholder Servicing Plan (the "Plan") adopted by the Trust on May 2, 2012 with respect to the Advisor and Investor Shares of the Funds, the Adviser is authorized to provide, or arrange for others to provide personal shareholder services relating to the servicing and maintenance of shareholder accounts not otherwise provided to the Funds ("Shareholder Servicing Activities"). Under the Plan, the Adviser may enter into shareholder

service agreements with securities broker-dealers and other securities professionals ("Service Organizations") who provide Shareholder Servicing Activities for their clients invested in the Funds.

Shareholder Servicing Activities shall include one or more of the following: (1) establishing and maintaining accounts and records relating for shareholders of the Funds; (2) aggregating and processing orders involving the shares of the Funds; (3) processing dividend and other distribution payments from the Funds on behalf of shareholders; (4) providing information to shareholders as to their ownership of Fund shares or about other aspects of the operations of the Funds; (5) preparing tax reports or forms on behalf of shareholders; (6) forwarding communications from the Funds to shareholders; (7) assisting shareholders in changing the Funds' records as to their addresses, dividend options, account registrations or other data; (8) providing sub-accounting with respect to shares beneficially owned by shareholders, or the information to the Funds necessary for sub-accounting; (9) responding to shareholder inquiries relating to the services performed; (10) providing shareholders with a service that invests the assets of their accounts in shares pursuant to specific or pre-authorized instructions; and (11) providing such other similar services as the Adviser may reasonably request to the extent the Service Organization is permitted to do so under applicable statutes, rules or regulations.

As compensation for the Shareholder Servicing Activities, each Fund (other than the Brown Advisory Intermediate Income Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund, Brown Advisory Tax-Exempt Sustainable Bond Fund, and Brown Advisory Mortgage Securities Fund) pays the Adviser a fee of up to 0.15% of each Fund's average daily net assets of its Advisor and Investor Shares. The Brown Advisory Intermediate Income Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund, Brown Advisory Tax-Exempt Sustainable Bond Fund, and Brown Advisory Mortgage Securities Fund each pay the Adviser a fee of up to 0.05% of each Fund's average daily net assets of its Advisor and Investor Shares for Shareholder Servicing Activities.

**Business Management Services**

Pursuant to the Business Management Agreement, the Adviser also provides certain business management services to the Funds, including, without limitation, monitoring of the Funds' relationships with third-party service providers, and assisting with necessary and appropriate services to the Board of the Trust. For these services, the Adviser is entitled to receive a fee from each Fund at a rate of 0.05% of the Fund's average daily net assets.

The table below shows the amount of Business Management Services fees incurred by the Funds for the fiscal year ended June 30, 2025.

| Fund* | Business Management Services Fee |
|---|---|
| Brown Advisory Growth Equity Fund | $434,488 |
| Brown Advisory Flexible Equity Fund | $493,244 |
| Brown Advisory Sustainable Growth Fund | $4,717,248 |
| Brown Advisory Mid-Cap Growth Fund | $41,557 |
| Brown Advisory Small-Cap Growth Fund | $696,402 |
| Brown Advisory Small-Cap Fundamental Value Fund | $680,365 |
| Brown Advisory Sustainable Small-Cap Core Fund | $45,012 |
| Brown Advisory Sustainable Value Fund | $66,000 |
| Brown Advisory Global Leaders Fund | $1,065,461 |
| Brown Advisory Sustainable International Leaders Fund | $18,676 |
| Brown Advisory Intermediate Income Fund | $61,896 |
| Brown Advisory Sustainable Bond Fund | $289,075 |
| Brown Advisory Maryland Bond Fund | $84,232 |
| Brown Advisory Tax-Exempt Bond Fund | $506,962 |
| Brown Advisory Tax-Exempt Sustainable Bond Fund | $145,600 |
| Brown Advisory Mortgage Securities Fund | $145,014 |

| Fund* | Business Management Services Fee |
|---|---|
| Brown Advisory – WMC Strategic European Equity Fund | $206,346 |
| Brown Advisory Emerging Markets Select Fund | $316,365 |
| Brown Advisory – Beutel Goodman Large-Cap Value Fund | $956,038 |
| Brown Advisory – WMC Japan Equity Fund* | $58,124 |

*Commenced operations on September 30, 2024.

**Securities Lending Activities**

The Funds did not engage in any securities lending during the fiscal year ended June 30, 2025.

**Other Fund Service Providers**

**Administrator and Accountant**

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services ("Fund Services"), 615 East Michigan Street, Milwaukee, Wisconsin 53202, acts as administrator to the Funds pursuant to an administration agreement (the "Administration Agreement"). Fund Services provides certain administrative services to the Funds, including, among other responsibilities, coordinating the negotiation of contracts and fees with, and the monitoring of performance and billing of, the Funds' independent contractors and agents; preparation for signature by an officer of the Trust of all documents required to be filed for compliance by the Trust and the Funds with applicable laws and regulations excluding those of the securities laws of various states; arranging for the computation of performance data, including NAV and yield; responding to shareholder inquiries; and arranging for the maintenance of books and records of the Funds, and providing, at its own expense, office facilities, equipment and personnel necessary to carry out its duties. In this capacity, Fund Services does not have any responsibility or authority for the management of the Funds, the determination of investment policy, or for any matter pertaining to the distribution of Fund shares.

Pursuant to the Administration Agreement, the Administrator will receive a portion of fees from the Funds as part of a bundled-fees agreement for services performed as fund administrator, fund accountant and transfer agent to the Trust.

For the periods shown below the Funds paid Fund Services the following:

| Fund/ Fiscal year end | Fee Paid to Fund Services[(1)] |
|---|---|
| **Brown Advisory Growth Equity Fund** | |
| Year Ended June 30, 2025 | $191,728 |
| Year Ended June 30, 2024 | $441,490 |
| Year Ended June 30, 2023 | $593,273 |
| **Brown Advisory Flexible Equity Fund** | |
| Year Ended June 30, 2025 | $220,811 |
| Year Ended June 30, 2024 | $182,290 |
| Year Ended June 30, 2023 | $163,019 |
| **Brown Advisory Sustainable Growth Fund** | |
| Year Ended June 30, 2025 | $2,066,041 |
| Year Ended June 30, 2024 | $2,015,122 |
| Year Ended June 30, 2023 | $1,575,003 |
| **Brown Advisory Mid-Cap Growth Fund** | |
| Year Ended June 30, 2025 | $21,618 |
| Year Ended June 30, 2024 | $24,928 |

| Fund/ Fiscal year end | Fee Paid to Fund Services[1] |
|---|---|
| Year Ended June 30, 2023 | $29,388 |
| **Brown Advisory Small-Cap Growth Fund** | |
| Year Ended June 30, 2025 | $314,551 |
| Year Ended June 30, 2024 | $471,591 |
| Year Ended June 30, 2023 | $523,561 |
| **Brown Advisory Small-Cap Fundamental Value Fund** | |
| Year Ended June 30, 2025 | $304,132 |
| Year Ended June 30, 2024 | $288,511 |
| Year Ended June 30, 2023 | $306,177 |
| **Brown Advisory Sustainable Small-Cap Core Fund** | |
| Year Ended June 30, 2025 | $23,571 |
| Year Ended June 30, 2024 | $18,116 |
| Year Ended June 30, 2023 | $14,239 |
| **Brown Advisory Sustainable Value Fund** | |
| Year Ended June 30, 2025 | $31,197 |
| Year Ended June 30, 2024 | $17,879 |
| Period Ended June 30, 2023[2] | $3,388 |
| **Brown Advisory Global Leaders Fund** | |
| Year Ended June 30, 2025 | $484,758 |
| Year Ended June 30, 2024 | $398,786 |
| Year Ended June 30, 2023 | $332,139 |
| **Brown Advisory Sustainable International Leaders Fund** | |
| Year Ended June 30, 2025 | $11,830 |
| Year Ended June 30, 2024 | $9,838 |
| Year Ended June 30, 2023 | $6,698 |
| **Brown Advisory Intermediate Income Fund** | |
| Year Ended June 30, 2025 | $45,460 |
| Year Ended June 30, 2024 | $44,737 |
| Year Ended June 30, 2023 | $51,601 |
| **Brown Advisory Sustainable Bond Fund** | |
| Year Ended June 30, 2025 | $157,798 |
| Year Ended June 30, 2024 | $166,165 |
| Year Ended June 30, 2023 | $107,162 |
| **Brown Advisory Maryland Bond Fund** | |
| Year Ended June 30, 2025 | $48,158 |
| Year Ended June 30, 2024 | $54,478 |
| Year Ended June 30, 2023 | $60,130 |
| **Brown Advisory Tax-Exempt Bond Fund** | |
| Year Ended June 30, 2025 | $249,706 |
| Year Ended June 30, 2024 | $227,519 |
| Year Ended June 30, 2023 | $219,499 |
| **Brown Advisory Tax-Exempt Sustainable Bond Fund** | |
| Year Ended June 30, 2025 | $79,453 |
| Year Ended June 30, 2024 | $88,249 |
| Year Ended June 30, 2023 | $97,718 |
| **Brown Advisory Mortgage Securities Fund** | |
| Year Ended June 30, 2025 | $128,667 |

| Fund/ Fiscal year end | Fee Paid to Fund Services[1] |
|---|---|
| Year Ended June 30, 2024 | $137,804 |
| Year Ended June 30, 2023 | $158,095 |
| **Brown Advisory – WMC Strategic European Equity Fund** | |
| Year Ended June 30, 2025 | $105,075 |
| Year Ended June 30, 2024 | $77,381 |
| Year Ended June 30, 2023 | $64,663 |
| **Brown Advisory Emerging Markets Select Fund** | |
| Year Ended June 30, 2025 | $164,539 |
| Year Ended June 30, 2024 | $149,581 |
| Year Ended June 30, 2023 | $149,624 |
| **Brown Advisory – Beutel Goodman Large-Cap Value Fund** | |
| Year Ended June 30, 2025 | $423,050 |
| Year Ended June 30, 2024 | $397,151 |
| Year Ended June 30, 2023 | $373,851 |
| **Brown Advisory – WMC Japan Equity Fund** | |
| Year Ended June 30, 2025[3] | $31,680 |

(1) Includes fees paid to U.S. Bancorp Fund Services, LLC for transfer agent, fund accounting and fund administration services.

(2) The Brown Advisory Sustainable Value Fund commenced operations on February 28, 2023.

(3) The Brown Advisory – WMC Japan Equity Fund commenced operations on September 30, 2024.

**Custodian**

U.S. Bank, National Association is the custodian for the Funds (the "Custodian") and safeguards and controls the Funds' cash and securities, determines income and collects interest on Fund investments. The Custodian's address is 1555 North RiverCenter Drive, Suite 302, Milwaukee, Wisconsin 53212. The Custodian does not participate in decisions relating to the purchase and sale of securities by the Funds. Fund Services and the Custodian are affiliated entities under the common control of U.S. Bancorp. The Custodian and its affiliates may participate in revenue sharing arrangements with the service providers of mutual funds in which the Funds may invest.

**Legal Counsel**

Dechert LLP, 1900 K Street, NW, Washington, DC 20006, serves as legal counsel to the Trust.

**Independent Registered Public Accounting Firm**

Tait, Weller & Baker LLP, Two Liberty Place, 50 South 16th Street, Suite 2900, Philadelphia, Pennsylvania 19102, is the Funds' independent registered public accounting firm, providing audit services, tax services and assistance with respect to the preparation of filings with the U.S. Securities and Exchange Commission.

## INVESTMENT LIMITATIONS

For purposes of all investment policies of each Fund: (1) the term "1940 Act" includes the rules thereunder, SEC interpretations and any exemptive order upon which a Fund may rely; and (2) the term "Code" includes the rules thereunder, IRS interpretations and any private letter ruling or similar authority upon which a Fund may rely.

The Funds have adopted the following policies and investment restrictions as fundamental policies (unless otherwise noted), which may not be changed without the affirmative vote of the holders of a "majority" of the outstanding voting securities of the Fund. Under the 1940 Act, the "vote of the holders of a majority of the outstanding voting securities" means the vote of the holders of the lesser of (i) 67% of the shares of the Fund represented at a meeting at

which the holders of more than 50% of the Fund's outstanding shares are represented or (ii) more than 50% of the outstanding shares of a Fund.

Except with respect to borrowing, if a percentage or rating restriction on investment or use of assets set forth herein or in the Prospectus is adhered to at the time a transaction is effected, later changes in the percentage or rating resulting from any cause other than actions by the Fund will not be considered a violation of the Fund's investment restrictions. If the value of the Fund's holdings of illiquid securities at any time exceeds the percentage limitation applicable due to subsequent fluctuations in value or other reasons, the Board will consider what actions, if any, are appropriate to maintain adequate liquidity.

**Fundamental Limitations**

Each Fund has adopted the following investment limitations that cannot be changed by the Board without shareholder approval.

**1. Borrowing Money**

**The Brown Advisory Growth Equity Fund, Brown Advisory Flexible Equity Fund, Brown Advisory Sustainable Growth Fund, Brown Advisory Mid-Cap Growth Fund, Brown Advisory Small-Cap Growth Fund, Brown Advisory Small-Cap Fundamental Value Fund, Brown Advisory Sustainable Small-Cap Core Fund, Brown Advisory Sustainable Value Fund**, **Brown Advisory Global Leaders Fund, Brown Advisory Sustainable International Leaders Fund, Brown Advisory Sustainable Bond Fund, Brown Advisory Mortgage Securities Fund, Brown Advisory – WMC Strategic European Equity Fund, Brown Advisory Emerging Markets Select Fund**, **Brown Advisory – Beutel Goodman Large-Cap Value Fund, and Brown Advisory – WMC Japan Equity Fund** may not borrow money if, as a result, outstanding borrowings would exceed an amount equal to $33^{1/3}$% of the Fund's total assets.

**The Brown Advisory Maryland Bond Fund. Brown Advisory Tax-Exempt Bond Fund, and Brown Advisory Tax-Exempt Sustainable Bond Fund** may not borrow money, except for temporary or emergency purposes (including the meeting of redemption requests) and except for entering into reverse repurchase agreements, and provided that borrowings do not exceed $33^{1/3}$% of the Fund's total assets (computed immediately after the borrowing).

**The Brown Advisory Intermediate Income Fund** may not borrow money, except for temporary or emergency purposes (including the meeting of redemption requests), and provided that borrowings do not exceed 10% of the Fund's total assets (computed immediately after the borrowing).

**2. Concentration**

Excluding the Brown Advisory Sustainable Growth Fund and the Brown Advisory – WMC Japan Equity Fund, a Fund may not purchase a security if, as a result, more than 25% of the Fund's total assets would be invested in securities of issuers conducting their principal business activities in the same industry. For purposes of this limitation, there is no limit on: (1) investments in U.S. government securities, in repurchase agreements covering U.S. government securities, in tax-exempt securities issued by the states, territories or possessions of the United States ("municipal securities") or in foreign government securities; or (2) investments in issuers domiciled in a single jurisdiction. Notwithstanding anything to the contrary, to the extent permitted by the 1940 Act, a Fund may invest in one or more investment companies; provided that, except to the extent the Fund invests in other investment companies pursuant to Section 12(d)(1)(A) or (F) of the 1940 Act, the Fund treats the assets of the investment companies in which it invests as its own for purposes of this policy.

For the **Brown Advisory Sustainable Growth Fund**, the Fund may not purchase a security if, as a result, more than 25% of the Fund's total assets would be invested in securities of issuers conducting their principal business activities in the same industry. For purposes of this limitation, there is no limit on investments in U.S. government securities and in repurchase agreements covering U.S. government securities. Notwithstanding anything to the contrary, to the extent permitted by the 1940 Act, the Fund may invest in one or more investment companies; provided that, except

to the extent the Fund invests in other investment companies pursuant to Section 12(d)(1)(A) or (F) of the 1940 Act, the Fund treats the assets of the investment companies in which it invests as its own for purposes of this policy.

For the **Brown Advisory – WMC Japan Equity Fund**, the Fund may not purchase a security if, as a result, more than 25% of the Fund's total assets would be invested in securities of issuers conducting their principal business activities in the same industry or group of industries. For purposes of this limitation, there is no limit on: (1) investments in U.S. government securities, in repurchase agreements covering U.S. government securities, in tax-exempt securities issued by the states, territories or possessions of the United States ("municipal securities") or in foreign government securities; or (2) investments in issuers domiciled in a single jurisdiction. Notwithstanding anything to the contrary, to the extent permitted by the 1940 Act, the Fund may invest in one or more investment companies; provided that, except to the extent the Fund invests in other investment companies pursuant to Section 12(d)(1)(A) or (F) of the 1940 Act, the Fund treats the assets of the investment companies in which it invests as its own for purposes of this policy.

For the **Brown Advisory Intermediate Income Fund** (1) "mortgage related securities" and "asset-backed securities", as such terms are defined in the 1934 Act, are treated as securities of an issuer in the industry of the primary type of asset backing the security, (2) financial service companies are classified according to the end users of their services (for example, automobile finance, bank finance and diversified finance) and (3) utility companies are classified according to their services (for example, gas, gas transmission, electric and gas, electric and telephone).

**3. Diversification**

Excluding the Brown Advisory Maryland Bond Fund and Brown Advisory – Beutel Goodman Large-Cap Value Fund, with respect to 75% of the Fund's total assets, a Fund may not purchase the securities of any issuer (other than securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities, or, to the extent permitted by the 1940 Act, the rules and regulations thereunder and any applicable exemptive relief, securities of other investment companies) if, as a result, (1) more than 5% of the Fund's total assets would be invested in the securities of that issuer; or (2) the Fund would hold more than 10% of the outstanding voting securities of that issuer.

The District of Columbia, each state and territory, each political subdivision, agency, instrumentality and authority thereof, and each multi-state agency of which the District of Columbia, a state or territory is a member is deemed to be a separate "issuer." When the assets and revenues of an agency, authority, instrumentality or other political subdivision are separate from the government creating the subdivision and the security is backed only by the assets and revenues of the subdivision, such subdivision is treated as the issuer. Similarly, in the case of private activity bonds, if the bond is backed only by the assets and revenues of the non-governmental user, then the non-governmental user is treated as the issuer. If in either case, however, the creating government or some other agency guarantees a security, that guarantee is considered a separate security and is treated as an issue of such government or other agency.

**The Brown Advisory Maryland Bond Fund and Brown Advisory – Beutel Goodman Large-Cap Value Fund** are non-diversified, which means that there is no restriction under the Investment Company Act of 1940 on how much the Fund may invest in the securities of one issuer. However, to qualify for tax treatment as a regulated investment company under the Internal Revenue Code of 1986, as amended (the "Code"), the Fund is required to comply, as of the end of each taxable quarter, with certain diversification requirements imposed by the Code. Pursuant to these requirements, at the end of each taxable quarter, the Fund, among other things, will not have investments in the securities of any one issuer (other than U.S. government securities and securities of other regulated investment companies) of more than 25% of the value of the Fund's total assets. In addition, the Fund, with respect to 50% of its total assets, will not have investments in the securities of any issuer equal to 5% of its total assets, and will not purchase more than 10% of the outstanding voting securities of any one issuer. As non-diversified investment companies, such Funds may be subject to greater risks than diversified companies because of the larger impact of fluctuation in the values of securities of fewer issues.

**4. Underwriting Activities**

A Fund may not underwrite securities issued by others, except to the extent that the Fund may be considered an underwriter within the meaning of the Securities Act of 1933 in the disposition of restricted securities or in connection with investments in other investment companies.

**5. Making Loans**

Excluding the Brown Advisory Flexible Equity Fund, a Fund may not make loans to other parties. For purposes of this limitation, entering into repurchase agreements, lending securities and acquiring any debt security are not deemed to be the making of loans.

The **Brown Advisory Flexible Equity Fund** may make loans only as permitted under the 1940 Act, the rules and regulations thereunder and any applicable exemptive relief.

(While the **Brown Advisory Flexible Equity Fund** is eligible to make loans to other parties to the extent permitted under the Investment Company Act of 1940, the rules and regulations thereunder and any applicable exemptive relief, the Fund has undertaken to not make any loans to other parties, although the Fund is eligible to enter into repurchase agreements, lend securities and acquire any debt security as these activities are not deemed to be the making of loans).

**6. Purchases and Sales of Real Estate**

A Fund may not purchase or sell real estate, except that, to the extent permitted by law, the Fund may (a) invest in securities or other instruments directly or indirectly secured by real estate, and (b) invest in securities or other instruments issued by issuers that invest in real estate.

**7. Purchases and Sales of Commodities**

A Fund may not purchase or sell commodities or commodity contracts unless acquired as a result of ownership of securities or other instruments issued by persons that purchase or sell commodities or commodities contracts; but this shall not prevent the Fund from purchasing, selling and entering into financial futures contracts (including futures contracts on indices of securities, interest rates and currencies), options on financial futures contracts (including futures contracts on indices of securities, interest rates and currencies), warrants, swaps, forward contracts, foreign currency spot and forward contracts or other derivative instruments that are not related to physical commodities.

**8. Issuance of Senior Securities**

A Fund may not issue senior securities except pursuant to Section 18 of the 1940 Act, the rules and regulations thereunder, and any applicable exemptive or interpretive relief.

**9. Pooled Funds**

Notwithstanding any other fundamental investment policy or limitation, the **Brown Advisory Flexible Equity Fund** may not invest all of its assets in the securities of a single open-end management investment company with substantially the same fundamental investment objective, policies, and limitations as the Fund.

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With respect to Fundamental Limitation #2, each Fund, other than the Brown Advisory – WMC Strategic European Equity Fund and Brown Advisory - WMC Japan Equity Fund, will limit investments in foreign government securities to no more than 25% of the Fund's total assets. In addition, with respect to Fundamental Limitation #2, municipal securities may include industrial development or other private activity bonds. For purposes of determining compliance with Fundamental Limitation #2, any investment by the Fund in private activity bonds that are ultimately payable by a governmental entity (as opposed to a non-governmental entity) will be considered "municipal securities" for these purposes and therefore will not be subject to the 25% limitation discussed above.

# PORTFOLIO TRANSACTIONS

The Adviser is responsible for decisions to buy and sell securities for the Funds (other than for the Brown Advisory Global Leaders Fund, Brown Advisory Sustainable International Leaders Fund, Brown Advisory – WMC Strategic European Equity Fund, Brown Advisory Emerging Markets Select Fund, Brown Advisory – Beutel Goodman Large-Cap Value Fund, and Brown Advisory - WMC Japan Equity Fund) and for the placement of the Funds' securities business, the negotiation of the commissions to be paid on such transactions and the allocation of portfolio brokerage and principal business. Each respective Sub-Adviser is responsible for portfolio transactions for the Brown Advisory Global Leaders Fund, the Brown Advisory Sustainable International Leaders Fund, the Brown Advisory – WMC Strategic European Equity Fund, the Brown Advisory Emerging Markets Select Fund, the Brown Advisory – Beutel Goodman Large-Cap Value Fund, and the Brown Advisory – WMC Japan Equity Fund.

**How Securities are Purchased and Sold**

Purchases and sales of portfolio securities that are fixed income securities (for instance, money market instruments and bonds, notes and bills) usually are principal transactions. In a principal transaction, the party from whom a Fund purchases or to whom a Fund sells is acting on its own behalf (and not as the agent of some other party such as its customers). These securities normally are purchased directly from the issuer or from an underwriter or market maker for the securities. There are usually no stated brokerage commissions paid for these securities, but the price usually includes an undisclosed commission or markup.

Purchases and sales of portfolio securities that are equity securities (for instance common stock and preferred stock) are generally effected: (1) if the security is traded on an exchange, through brokers who charge commissions; and (2) if the security is traded in the "over-the-counter" markets, in a principal transaction directly from a market maker. In transactions on stock exchanges, commissions are negotiated. When transactions are executed in an over-the-counter market, the Adviser and/or Sub-Advisers will seek to deal with the primary market makers; but when necessary in order to obtain best execution, the Adviser and/or Sub-Advisers will utilize the services of others.

The price of securities purchased from underwriters includes a disclosed fixed commission or concession paid by the issuer to the underwriter, and prices of securities purchased from dealers serving as market makers reflects the spread between the bid and asked price.

In the case of fixed income and equity securities traded in the over-the-counter markets, there is generally no stated commission, but the price usually includes an undisclosed commission or markup.

**Commissions Paid**

The table below shows the aggregate brokerage commissions paid by each Fund as well as aggregate commissions paid to an affiliate of the Fund, the Adviser or distributor or an affiliate thereof. The data presented are for the past three fiscal years (or shorter period depending on the Fund's commencement of operations).

| Fund | Total Brokerage Commissions | Total Brokerage Commissions Paid to an Affiliate of the Fund's Advisor or Distributor | Percent of Brokerage Commissions Paid to an Affiliate of the Fund's Advisor or Distributor | Percent of Transactions Executed by an Affiliate of the Fund's Advisor or Distributor |
|---|---|---|---|---|
| **Brown Advisory Growth Equity Fund** | | | | |
| Year Ended June 30, 2025 | $161,313 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $462,431 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $262,084 | $0 | 0% | 0% |
| **Brown Advisory Flexible Equity Fund** | | | | |
| Year Ended June 30, 2025 | $102,620 | $0 | 0% | 0% |

| Fund | Total Brokerage Commissions | Total Brokerage Commissions Paid to an Affiliate of the Fund's Advisor or Distributor | Percent of Brokerage Commissions Paid to an Affiliate of the Fund's Advisor or Distributor | Percent of Transactions Executed by an Affiliate of the Fund's Advisor or Distributor |
|---|---|---|---|---|
| Year Ended June 30, 2024 | $95,704 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $61,865 | $0 | 0% | 0% |
| **Brown Advisory Sustainable Growth Fund** | | | | |
| Year Ended June 30, 2025 | $1,587,094 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $1,201,121 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $554,716 | $0 | 0% | 0% |
| **Brown Advisory Mid-Cap Growth Fund** | | | | |
| Year Ended June 30, 2025 | $48,265 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $37,985 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $45,628 | $0 | 0% | 0% |
| **Brown Advisory Small-Cap Growth Fund** | | | | |
| Year Ended June 30, 2025 | $910,092 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $912,255 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $933,962 | $0 | 0% | 0% |
| **Brown Advisory Small-Cap Fundamental Value Fund** | | | | |
| Year Ended June 30, 2025 | $996,909 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $862,985 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $729,353 | $0 | 0% | 0% |
| **Brown Advisory Sustainable Small-Cap Core Fund** | | | | |
| Year Ended June 30, 2025 | $65,495 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $37,348 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $42,218 | $0 | 0% | 0% |
| **Brown Advisory Sustainable Value Fund** | | | | |
| Year Ended June 30, 2025 | $40,035 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $28,633 | $0 | 0% | 0% |
| Period Ended June 30, 2023[(2)] | $18,493 | $0 | 0% | 0% |
| **Brown Advisory Global Leaders Fund** | | | | |
| Year Ended June 30, 2025 | $409,803 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $272,038 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $289,462 | $0 | 0% | 0% |
| **Brown Advisory Sustainable International Leaders Fund** | | | | |
| Year Ended June 30, 2025 | $25,066 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $22,166 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $16,180 | $0 | 0% | 0% |
| **Brown Advisory Intermediate Income Fund** | | | | |
| Year Ended June 30, 2025 | $3,898 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $4,114 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $3,011 | $0 | 0% | 0% |
| **Brown Advisory Sustainable Bond Fund** | | | | |
| Year Ended June 30, 2025 | $24,216 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $31,742 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $29,670 | $0 | 0% | 0% |

| Fund | Total Brokerage Commissions | Total Brokerage Commissions Paid to an Affiliate of the Fund's Advisor or Distributor | Percent of Brokerage Commissions Paid to an Affiliate of the Fund's Advisor or Distributor | Percent of Transactions Executed by an Affiliate of the Fund's Advisor or Distributor |
|---|---|---|---|---|
| **Brown Advisory Maryland Bond Fund** | | | | |
| Year Ended June 30, 2025 | $0 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $0 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $0 | $0 | 0% | 0% |
| **Brown Advisory Tax-Exempt Bond Fund** | | | | |
| Year Ended June 30, 2025 | $0 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $0 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $0 | $0 | 0% | 0% |
| **Brown Advisory Tax-Exempt Sustainable Bond Fund** | | | | |
| Year Ended June 30, 2025 | $0 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $0 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $0 | $0 | 0% | 0% |
| **Brown Advisory Mortgage Securities Fund** | | | | |
| Year Ended June 30, 2025 | $5,706 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $6,567 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $10,374 | $0 | 0% | 0% |
| **Brown Advisory – WMC Strategic European Equity Fund** | | | | |
| Year Ended June 30, 2025 | $185,399 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $86,504 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $92,538 | $0 | 0% | 0% |
| **Brown Advisory Emerging Markets Select Fund** | | | | |
| Year Ended June 30, 2025 | $588,634 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $597,107 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $385,985 | $0 | 0% | 0% |
| **Brown Advisory – Beutel Goodman Large-Cap Value Fund** | | | | |
| Year Ended June 30, 2025 | $580,072 | $0 | 0% | 0% |
| Year Ended June 30, 2024 | $404,991 | $0 | 0% | 0% |
| Year Ended June 30, 2023 | $376,796 | $0 | 0% | 0% |
| **Brown Advisory – WMC Japan Equity Fund** | | | | |
| Year Ended June 30, 2025[(2)] | $199,922 | $0 | 0% | 0% |

(1) The Brown Advisory Sustainable Value Fund commenced operations on February 28, 2023.
(2) The Brown Advisory – WMC Japan Equity Fund commenced operations on September 30, 2024.

**Adviser and/or Sub-Adviser Responsibility for Purchases and Sales**

The Adviser and/or Sub-Advisers place orders for the purchase and sale of securities with broker-dealers selected by and in the discretion of the Adviser and/or Sub-Advisers. A Fund does not have any obligation to deal with a specific broker or dealer in the execution of portfolio transactions. Allocations of transactions to brokers and dealers and the frequency of transactions are determined by the Adviser and/or Sub-Advisers in their best judgment and in a manner deemed to be in the best interest of each Fund rather than by any formula.

The Adviser and/or Sub-Advisers seek "best execution" for all portfolio transactions. This means that the Adviser and/or Sub-Advisers seek the most favorable price and execution available. The Adviser's and/or Sub-Adviser's

primary consideration in executing transactions for the Fund is prompt execution of orders in an effective manner and at the most favorable price available.

**Choosing Broker-Dealers**

A Fund may not always pay the lowest commission or spread available. Rather, in determining the amount of commissions (including certain dealer spreads) paid in connection with securities transactions, the Adviser and/or Sub-Advisers take into account factors such as size of the order, difficulty of execution, efficiency of the executing broker's facilities (including the research services described below) and any risk assumed by the executing broker.

Consistent with applicable rules and the Adviser's and/or Sub-Advisers' duties, the Adviser and/or Sub-Advisers may consider payments made by brokers effecting transactions for a Fund. These payments may be made to a Fund or to other persons on behalf of a Fund for services provided to a Fund for which those other persons would be obligated to pay.

The Adviser and/or Sub-Adviser may also utilize a broker and pay a slightly higher commission if, for example, the broker has specific expertise in a particular type of transaction (due to factors such as size or difficulty), or it is efficient in trade execution.

**Obtaining Research from Brokers**

The Adviser and/or Sub-Advisers, as appropriate, have full brokerage discretion. The Adviser and/or Sub-Advisers evaluates the range and quality of a broker's services in placing trades such as securing best price, confidentiality, clearance and settlement capabilities, promptness of execution and the financial stability of the broker-dealer. The Adviser and/or Sub-Advisers may give consideration to research services furnished by brokers to the Adviser and/or Sub-Advisers for its use and may cause a Fund to pay these brokers a higher amount of commission than may be charged by other brokers. This research is designed to augment the Adviser's and/or Sub-Adviser's own internal research and investment strategy capabilities. This research may include reports that are common in the industry such as industry research reports and periodicals, quotation systems, software for portfolio management and formal databases. Typically, the research will be used to service all of the Adviser and/or Sub-Advisers accounts, although a particular client may not benefit from all the research received on each occasion. The Adviser and/or Sub-Advisers fees are not reduced by reason of receipt of research services. Most of the brokerage commissions for research are for investment research on specific companies or industries. And, because the Adviser and/or Sub-Advisers will follow a limited number of securities most of the commission dollars spent research will directly benefit clients and the Fund's investors.

For the fiscal year ended June 30, 2025, the Funds paid the following brokerage commissions to brokers who also provided research services. The dollar values of the securities traded related to such research services provided for the fiscal year ended June 30, 2025 are also shown below:

| Fund* | Commissions Paid for Soft-Dollar Arrangements | Dollar Value of Securities Traded |
|---|---|---|
| Brown Advisory Growth Equity Fund | $50,981 | $291,362,140 |
| Brown Advisory Flexible Equity Fund | $25,865 | $89,863,818 |
| Brown Advisory Sustainable Growth Fund | $382,292 | $1,547,656,466 |
| Brown Advisory Mid-Cap Growth Fund | $8,800 | $31,483,042 |
| Brown Advisory Small-Cap Growth Fund | $176,872 | $146,419,459 |
| Brown Advisory Small-Cap Fundamental Value Fund | $271,443 | $265,964,162 |
| Brown Advisory Sustainable Small-Cap Core Fund | $11,614 | $20,742,082 |
| Brown Advisory Sustainable Value Fund | $13,066 | $39,546,926 |
| Brown Advisory Global Leaders Fund | $0 | $0 |
| Brown Advisory Sustainable International Leaders Fund | $0 | $0 |
| Brown Advisory Intermediate Income Fund | $0 | $0 |
| Brown Advisory Sustainable Bond Fund | $0 | $0 |
| Brown Advisory Maryland Bond Fund | $0 | $0 |
| Brown Advisory Tax-Exempt Bond Fund | $0 | $0 |
| Brown Advisory Tax-Exempt Sustainable Bond Fund | $0 | $0 |
| Brown Advisory Mortgage Securities Fund | $0 | $0 |
| Brown Advisory – WMC Strategic European Equity Fund | $0 | $0 |
| Brown Advisory Emerging Markets Select Fund | $163,560 | $447,025,214 |
| Brown Advisory – Beutel Goodman Large-Cap Value Fund | $128,812 | $385,866,464 |
| Brown Advisory – WMC Japan Equity Fund* | $65,021 | $307,836,038 |

* The Brown Advisory – WMC Japan Equity Fund commenced operations on September 30, 2024.

**Counterparty Risk**

The Adviser and/or Sub-Advisers monitor the creditworthiness of counterparties to each Fund's transactions and intends to enter into a transaction only when it believes that the counterparty presents minimal and appropriate credit risks.

**Transactions through Affiliates**

The Adviser and/or Sub-Advisers may effect brokerage transactions through affiliates of the Adviser or the Sub-Adviser (or affiliates of those persons) pursuant to procedures adopted by the Trust.

**Other Accounts of the Adviser and/or Sub-Adviser**

Investment decisions for the Funds are made independently from those for any other account or investment company that is or may in the future become advised by the Adviser, the Sub-Advisers or their affiliates. Investment decisions are the product of many factors, including basic suitability for the particular client involved. Likewise, a particular security may be bought or sold for certain clients even though it could have been bought or sold for other clients at the same time. Likewise, a particular security may be bought for one or more clients when one or more clients are selling the security. In some instances, one client may sell a particular security to another client. In addition, two or more clients may simultaneously purchase or sell the same security, in which event, each day's transactions in such security are, insofar as is possible, averaged as to price and allocated between such clients in a manner which, in the Adviser's or Sub-Advisers' opinion, is in the best interest of the affected accounts and is equitable to each and in accordance with the amount being purchased or sold by each. There may be circumstances when purchases or sales of a portfolio security for one client could have an adverse effect on another client that has a position in that security. In addition, when purchases or sales of the same security for a Fund and other client accounts managed by the Adviser and/or Sub-Advisers occurs contemporaneously, the purchase or sale orders may be aggregated in order to obtain any price advantages available to large denomination purchases or sales.

**Portfolio Turnover**

The frequency of portfolio transactions of each Fund (the portfolio turnover rate) will vary from year to year depending on many factors. From time to time, a Fund may engage in active short-term trading to take advantage of price movements affecting individual issues, groups of issues or markets. An annual portfolio turnover rate of 100% would occur if all the securities in a Fund were replaced once in a period of one year. Higher portfolio turnover rates may result in increased brokerage costs to a Fund and a possible increase in short-term capital gains or losses.

For the fiscal years ended June 30, 2025 and June 30, 2024, the Funds had the following portfolio turnover rates:

| | Portfolio Turnover Rates | |
|---|---|---|
| Fund[1] | 2025 | 2024 |
| Brown Advisory Growth Equity Fund | 27% | 33% |
| Brown Advisory Flexible Equity Fund | 17% | 15% |
| Brown Advisory Sustainable Growth Fund | 32% | 35% |
| Brown Advisory Mid-Cap Growth Fund | 73% | 63% |
| Brown Advisory Small-Cap Growth Fund | 28% | 28% |
| Brown Advisory Small-Cap Fundamental Value Fund | 39% | 44% |
| Brown Advisory Sustainable Small-Cap Core Fund | 43% | 32% |
| Brown Advisory Sustainable Value Fund | 29% | 37% |
| Brown Advisory Global Leaders Fund | 22% | 15% |
| Brown Advisory Sustainable International Leaders Fund | 47% | 27% |
| Brown Advisory Intermediate Income Fund | 50% | 27% |
| Brown Advisory Sustainable Bond Fund | 104% | 251% |
| Brown Advisory Maryland Bond Fund | 46% | 22% |
| Brown Advisory Tax-Exempt Bond Fund | 40% | 57% |
| Brown Advisory Tax-Exempt Sustainable Bond Fund | 37% | 50% |
| Brown Advisory Mortgage Securities Fund | 221% | 335% |
| Brown Advisory – WMC Strategic European Equity Fund | 47% | 41% |
| Brown Advisory Emerging Markets Select Fund | 59% | 70% |
| Brown Advisory – Beutel Goodman Large-Cap Value Fund | 27% | 24% |
| Brown Advisory – WMC Japan Equity Fund [1] | 73% | N/A |

(1) The Brown Advisory – WMC Japan Equity Fund commenced operations on September 30, 2024.

**Securities of Regular Broker-Dealers**

From time to time, a Fund may acquire and hold securities issued by its "regular brokers and dealers" or the parents of those brokers and dealers. For this purpose, regular brokers and dealers are the 10 brokers or dealers that: (1) received the greatest amount of brokerage commissions during a Fund's last fiscal year; (2) engaged in the largest amount of principal transactions for portfolio transactions of a Fund during the Fund's last fiscal year; or (3) sold the largest amount of a Fund's shares during the Fund's last fiscal year.

As of the fiscal year ended June 30, 2025, the following Funds owned the following securities of their "regular brokers or dealers" or their parents:

| Fund | Security of "Regular Broker/ Dealer" of the Portfolio | Value of Portfolio's Aggregate Holding of Securities as of 6/30/25 |
|---|---|---|
| Brown Advisory Intermediate Income Fund | Citigroup | $1,266,091 |
| Brown Advisory Intermediate Income Fund | Goldman Sachs | $1,255,794 |
| Brown Advisory Intermediate Income Fund | JP Morgan | $609,812 |
| Brown Advisory Intermediate Income Fund | Morgan Stanley | $1,269,269 |
| Brown Advisory Intermediate Income Fund | US Bancorp | $1,251,205 |
| Brown Advisory Intermediate Income Fund | Wells Fargo & Co | $1,267,297 |
| Brown Advisory Sustainable Bond Fund | US Bancorp | $5,681,660 |

**Portfolio Holdings**

The Trust, on behalf of the Funds, has adopted a portfolio holdings disclosure policy that governs the timing and circumstances of disclosure of portfolio holdings of each Fund. The Adviser has also adopted a policy with respect to disclosure of portfolio holdings of each Fund (the "Adviser's Policy"), as have each of the Sub-Advisers (collectively, the "Sub-Advisers' Policies"). Information about each Fund's portfolio holdings will not be distributed to any third party except in accordance with the Trust's portfolio holdings policies and the Adviser's Policy and the Sub-Advisers' Policies, as applicable (the "Disclosure Policies"). The Adviser and the Board considered the circumstances under which each Fund's portfolio holdings may be disclosed under the Disclosure Policies and the actual and potential material conflicts that could arise in such circumstances between the interests of a Fund's shareholders and the interests of the Adviser, Sub-Advisers, the distributor or any other affiliated person of a Fund. After due consideration, the Adviser and the Board determined that each Fund has a legitimate business purpose for disclosing portfolio holdings to persons described in the Disclosure Policies, including mutual fund rating or statistical agencies, or persons performing similar functions, and internal parties involved in the investment process, administration or custody of a Fund. Pursuant to the Disclosure Policies, the Trust's Chief Compliance Officer ("CCO"), President and Treasurer are each authorized to consider and authorize dissemination of portfolio holdings information to additional third parties, after considering the best interests of each Fund's shareholders and potential conflicts of interest in making such disclosures. The Disclosure Policies are each consistent with the Trust's portfolio holdings disclosure policy and are used in furtherance of the Trust's policy.

The Board exercises continuing oversight of the disclosure of each Fund's portfolio holdings by (1) overseeing the implementation and enforcement of the Disclosure Policies, Codes of Ethics and other relevant policies of the Fund and its service providers by the Trust's CCO, (2) by considering reports and recommendations by the Trust's CCO concerning any material compliance matters (as defined in Rule 38a-1 under the 1940 Act), and (3) by considering to approve any amendment to the Disclosure Policies. The Board reserves the right to amend the Disclosure Policies at any time without prior notice to shareholders in its sole discretion.

Disclosure of each Fund's complete holdings is required to be made after the periods covered by the Funds' annual and semi-annual Form N-CSR filed with the SEC and in the quarterly holdings report on Form N-PORT. These reports are available, free of charge, on the EDGAR database on the SEC's website at www.sec.gov. The Funds that are not sub-advised by a Sub-Adviser disclose their complete portfolio holdings on their website at www.brownadvisory.com/mf within 10 business days after the calendar month-end. The Funds that are sub-advised by a Sub-Adviser disclose their complete portfolio holdings on their website within 10 business days after the calendar quarter-end. In addition, for the Funds that are sub-advised by a Sub-Adviser, the top 10 holdings are updated and posted monthly on the Funds' website within 10 days of the month-end. Portfolio holdings information posted on the Funds' website may be separately provided to any person, commencing on the day after it is first published on the Funds' website. In addition, each Fund may provide its complete portfolio holdings at the same time that it is filed with the SEC.

In the event of a conflict between the interests of a Fund and the interests of the Adviser, Sub-Advisers or an affiliated person of the Adviser or Sub-Advisers, the CCO of the Adviser, in consultation with the Trust's CCO, shall make a determination in the best interests of the Fund, and shall report such determination to the Board at the end of the quarter in which such determination was made. Any employee of the Adviser who suspects a breach of this obligation must report the matter immediately to the Adviser's CCO or to his or her supervisor.

In addition, material non-public holdings information may be provided without lag as part of the normal investment activities of a Fund to each of the following entities, which, by explicit agreement or by virtue of their respective duties to the Fund, are required to maintain the confidentiality of the information disclosed, including a duty not to trade on non-public information: the fund administrator, fund accountant, custodian, transfer agent, auditors, counsel to the Fund or the Board, broker-dealers (in connection with the purchase or sale of securities or requests for price quotations or bids on one or more securities), distributor, proxy services, printers, liquidity, classification agents, and regulatory authorities. Portfolio holdings information not publicly available with the SEC or through the Funds' website may only be provided to additional third parties, including mutual fund ratings or statistical agencies, in accordance with the Disclosure Policies, when a Fund has a legitimate business purpose and the third party recipient is subject to a confidentiality agreement that includes a duty not to trade on non-public information.

Service providers are subject to a duty of confidentiality pursuant to contract, applicable policies and procedures, or professional code and may not disclose non-public portfolio holdings information unless specifically authorized. In some cases, a service provider may be required to execute a non-disclosure agreement. Non-disclosure agreements include the following provisions:

- The recipient agrees to keep confidential any portfolio holdings information received.
- The recipient agrees not to trade on the non-public information received
- The recipient agrees to refresh its representation as to confidentiality and abstention from trading upon request from the Adviser.

Portfolio holdings disclosure may also be made pursuant to prior written approval by the CCO. Prior to approving any such disclosure, the CCO will ensure that procedures, processes and agreements are in place to provide reasonable assurance that the portfolio holdings information will only be used in accordance with the objectives of the Disclosure Policies.

In no event shall the Adviser, Sub-Advisers, their affiliates or employees, a Fund, or any other party receive any direct or indirect compensation in connection with the disclosure of information about the Fund's portfolio holdings.

There can be no assurance that the Disclosure Policies will protect the Funds from potential misuse of portfolio holdings information by individuals or entities to which it is disclosed.

In connection with providing investment advisory services to its clients, Wellington Management has ongoing arrangements to disclose non-public portfolio holdings information to the following parties: (1) Accenture performs certain operational functions on behalf of Wellington Management and has access to portfolio holdings on a daily basis, (2) Brown Brothers Harriman & Co. performs certain operational functions for Wellington Management and receives portfolio holdings information on a daily basis, (3) Acuity Knowledge Partners (formerly Moody's Analytics Knowledge Service) performs certain investment guideline monitoring and coding activities on behalf of Wellington Management and has access to holdings information on a daily basis, (4) FactSet Research Systems Inc. provides analytical services for Wellington Management and receives portfolio holdings information on a daily basis, (5) Glass, Lewis & Co. provides proxy voting services for Wellington Management and receives portfolio holdings information on a daily basis, (6) Markit WSO Corporation performs certain operational functions on behalf of Wellington Management and receives syndicated bank loan portfolio holdings information on a daily basis, (7) MSCI, Inc. provides analytical services for Wellington Management and receives portfolio holdings information on a daily basis, and (8) State Street Bank and Trust Company performs certain operational functions on behalf of Wellington Management and receives portfolio holdings information on a daily basis. Wellington also makes disclosures of portfolio holdings to other third parties where it does not identify specific clients.

From time to time, the Adviser may make additional disclosure of the Funds' portfolio holdings on the Funds' website. Shareholders can access the Funds' website at www.brownadvisory.com/mf for additional information about the Funds, including, without limitation, the periodic disclosure of their portfolio holdings.

# ADDITIONAL PURCHASE AND REDEMPTION INFORMATION

The information provided below supplements the information contained in the Prospectus regarding the purchase and redemption of a Fund's shares.

**How to Buy Shares**

In addition to purchasing shares directly from the Funds, you may purchase shares of the Funds through certain financial intermediaries and their agents that have made arrangements with the Fund and are authorized to buy and sell shares of the Fund (collectively, "Financial Intermediaries"). Investors should contact their Financial Intermediary directly for appropriate instructions, as well as information pertaining to accounts and any service or transaction fees that may be charged. If you transmit your order to these Financial Intermediaries before the Fund's close, which is the close of regular trading (generally 4:00 p.m., Eastern time) on a day that the NYSE is open for business, your order will be priced based on the Fund's NAV next computed after it is received by the Financial Intermediary. Investors should check with their Financial Intermediary to determine if it participates in these arrangements.

Shares are purchased at a Fund's NAV next determined after Fund Services receives your order in proper form, as discussed in the Funds' Prospectus. The Funds and the Transfer Agent will be deemed to have received a purchase or redemption order when an authorized broker or, if applicable, a broker's authorized designee receives the order. In order to receive that day's NAV, Fund Services must receive your order in proper form before the close of regular trading on the NYSE, generally 4:00 p.m., Eastern time. If the NYSE is closed due to inclement weather, technology problems or any other reason on a day it would normally be open for business, or the NYSE has an unscheduled early closing on a day it has opened for business, each Fund reserves the right to treat such day as a business day and accept purchase and redemption orders until, and calculate a Fund's NAV as of, the normally scheduled close of regular trading on the NYSE for that day, so long as the Adviser believes there remains an adequate market to meet purchase and redemption orders for that day. On any business day when the Securities Industry and Financial Markets Association recommends that the bond markets close trading early, each Fund reserves the right to close at such earlier closing time, and therefore accept purchase and redemption orders until, and calculate a Fund's NAV as of, such earlier closing time.

The Trust reserves the right in its sole discretion (i) to suspend the continued offering of a Fund's shares, (ii) to reject purchase orders in whole or in part when in the judgment of the Adviser or the distributor such rejection is in the best interest of a Fund, and (iii) to reduce or waive the minimum for initial and subsequent investments for certain fiduciary accounts or under circumstances where certain economies can be achieved in sales of a Fund's shares.

In addition to cash purchases, a Fund's shares may be purchased by tendering payment in-kind in the form of shares of stock, bonds or other securities. Any securities used to buy a Fund's shares must be readily marketable, their acquisition consistent with each Fund's objective and otherwise acceptable to the Adviser and the Board.

**Automatic Investment Plan**

As discussed in the Prospectus, the Funds provide an Automatic Investment Plan ("AIP") for the convenience of investors who wish to purchase shares of a Fund on a regular basis. All record keeping and custodial costs of the AIP are paid by a Fund. The market value of a Fund's shares is subject to fluctuation. Prior to participating in the AIP the investor should keep in mind that this plan does not assure a profit nor protect against depreciation in declining markets.

**How to Sell Shares and Delivery of Redemption Proceeds**

You can sell your Fund shares any day the NYSE is open for regular trading, either directly to a Fund or through your Financial Intermediary.

Payments to shareholders for shares of a Fund redeemed directly from the Fund will be made as promptly as possible, but no later than seven days after receipt by the Fund's transfer agent of the written request in proper form,

with the appropriate documentation as stated in the Prospectus, except that a Fund may suspend the right of redemption or postpone the date of payment during any period when (a) trading on the NYSE is restricted as determined by the SEC or the NYSE is closed for other than weekends and holidays; (b) an emergency exists as determined by the SEC making disposal of portfolio securities or valuation of net assets of the Fund not reasonably practicable; or (c) for such other period as the SEC may permit for the protection of a Fund's shareholders. Under unusual circumstances, a Fund may suspend redemptions, or postpone payment for more than seven days, but only as authorized by SEC rules.

The value of shares on redemption or repurchase may be more or less than the investor's cost, depending upon the market value of a Fund's portfolio securities at the time of redemption or repurchase.

**Telephone Redemptions**

Shareholders with telephone transaction privileges established on their account may redeem a Fund's shares by telephone. Upon receipt of any instructions or inquiries by telephone from the shareholder a Fund or its authorized agents may carry out the instructions and/or to respond to the inquiry consistent with the shareholder's previously established account service options. For joint accounts, instructions or inquiries from either party will be carried out without prior notice to the other account owners. In acting upon telephone instructions, a Fund and its agents use procedures that are reasonably designed to ensure that such instructions are genuine. These include recording all telephone calls, requiring pertinent information about the account and sending written confirmation of each transaction to the registered owner.

Fund Services will employ reasonable procedures to confirm that instructions communicated by telephone are genuine. If Fund Services fails to employ reasonable procedures, a Fund and Fund Services may be liable for any losses due to unauthorized or fraudulent instructions. If these procedures are followed, however, that to the extent permitted by applicable law, neither a Fund nor its agents will be liable for any loss, liability, cost or expense arising out of any redemption request, including any fraudulent or unauthorized request. For additional information, contact Fund Services.

**Redemptions In-Kind**

The Trust has filed an election under Rule 18f-1 of the 1940 Act committing to pay in cash all redemptions by a shareholder of record up to amounts specified by the rule (in excess of the lesser of (i) $250,000 or (ii) 1% of the Fund's assets). Each Fund has reserved the right to pay the redemption price of its shares in excess of the amounts specified by the rule, either totally or partially, by a distribution in-kind of portfolio securities (instead of cash). The securities so distributed would be valued at the same amount as that assigned to them in calculating the NAV for the shares being sold. If a shareholder receives a distribution in-kind, the shareholder could incur subsequent brokerage or other charges in converting the securities to cash and will bear any market risks associated with such securities until they are converted into cash. A redemption in-kind is treated as a taxable transaction and a sale of the redeemed shares, generally resulting in capital gain or loss to you, subject to certain loss limitation rules.

Each Fund does not intend to hold any significant percentage of its portfolio in illiquid securities, although a Fund, like virtually all mutual funds, may from time to time hold a small percentage of securities that are illiquid. In the unlikely event a Fund were to elect to make an in-kind redemption, a Fund expects that it would follow the normal protocol of making such distribution by way of a pro rata distribution based on its entire portfolio. If a Fund held illiquid securities, such distribution may contain a pro rata portion of such illiquid securities or a Fund may determine, based on a materiality assessment, not to include illiquid securities in the in-kind redemption. Each Fund does not anticipate that it would ever selectively distribute a greater than pro rata portion of any illiquid securities to satisfy a redemption request. If such securities are included in the distribution, shareholders may not be able to liquidate such securities and may be required to hold such securities indefinitely. Shareholders' ability to liquidate such securities distributed in-kind may be restricted by resale limitations or substantial restrictions on transfer imposed by the issuers of the securities or by law. Shareholders may only be able to liquidate such securities distributed in-kind at a substantial discount from their value, and there may be higher brokerage costs associated with any subsequent disposition of these securities by the recipient.

**Distributions**

Distributions of net investment income will be reinvested at the Fund's NAV (unless you elect to receive distributions in cash) as of the payment date. Distributions of capital gain will be reinvested at the NAV of the Fund (unless you elect to receive distributions in cash) on the payment date for the distribution. Cash payments may be made more than seven days following the date on which distributions would otherwise be reinvested.

**Additional Payments to Dealers**

The Adviser, out of its own resources and without additional cost to a Fund or its shareholders, may provide additional cash payments or other compensation to certain financial intermediaries who sell shares of the Fund. You may wish to take such payment arrangements into account when considering and evaluating any recommendations relating to the Funds' shares.

Set forth below is a list of the member firms of FINRA to which the Adviser, the Distributor or their affiliates made payments out of their revenues in connection with the sale and distribution of shares of the Funds or for services to the Funds and their shareholders in the fiscal year ended June 30, 2025 ("Additional Payments"). Such payments are in addition to any amounts paid to such FINRA firms in the form of fees for shareholder servicing or distribution. The payments are discussed in further detail in the Prospectus in the section entitled "Choosing a Shares Class - Additional Payments to Dealers". Any additions, modification, or deletions to the member firms identified in this list that have occurred since June 30, 2025, are not reflected:

FINRA MEMBER FIRMS:

- ADP Broker-Dealer, Inc.
- Ameriprise Financial Services, LLC
- Ascensus, LLC
- BNY Mellon, N.A.
- Broadridge Business Process Outsourcing, LLC
- Cetera Advisor Networks LLC
- Cetera Advisors LLC
- Cetera Wealth Services, LLC
- Charles Schwab & Co., Inc.
- Deutsche Bank Securities, Inc.
- Edward D. Jones & Co., L.P.
- Empower Financial Services, Inc.
- Fidelity Investments Institutional Services Company, Inc.
- Goldman Sachs & Co.
- Hand Securities, Inc.
- Interactive Brokers LLC
- J.P. Morgan Securities
- Janney Montgomery Scott LLC
- Lincoln Retirement Services Company, LLC
- LPL Financial LLC
- Merrill Lynch, Pierce, Fenner & Smith Incorporated
- Mid Atlantic Clearing & Settlement Corporation
- Morgan Stanley & Co.
- Muriel Siebert & Co.
- Oppenheimer & Co., Inc.
- Osaic Wealth, Inc.
- Pershing LLC
- Principal Financial Group
- Raymond James & Associates, Inc.
- RBC Capital Markets, LLC
- Reliance Trust Company
- T. Rowe Price Investment Services Inc.
- TIAA-REF Individual and Institutional Services, LLC

- UBS Financial Services Inc.
- Vanguard Marketing Corporation
- Voya Institutional Plan Services, LLC
- Wells Fargo Clearing Services, LLC

The prospect of receiving, or the receipt of, additional payments or other compensation as described above by financial intermediaries may provide such intermediaries and/or their salespersons with an incentive to favor sales of shares of the Funds, and other mutual funds whose affiliates make similar compensation available, over sale of shares of mutual funds (or non-mutual fund investments) not making such payments. You may wish to take such payment arrangements into account when considering and evaluating any recommendations relating to Fund shares.

# TAXATION

The tax information set forth in the Prospectus and the information in this section relates solely to Federal income tax law and assumes that each Fund qualifies as a regulated investment company (as discussed below). Such information is only a summary of certain key Federal income tax considerations affecting a Fund and its shareholders and is in addition to the information provided in the Prospectus. No attempt has been made to present a complete explanation of the Federal tax treatment of a Fund or the tax implications to shareholders. The discussions here and in the Prospectus are not intended as substitutes for careful tax planning.

This "Taxation" section is based on the Code and applicable regulations in effect on the date of the Prospectus. Future legislative or administrative changes or court decisions may significantly change the tax rules applicable to the Fund and its shareholders. Any of these changes or court decisions may have a retroactive effect.

*All investors should consult their own tax advisors as to the Federal, state, local and foreign tax consequences of an investment in a Fund.*

## Qualification as a Regulated Investment Company

Each Fund intends, for each tax year, to qualify as a "regulated investment company" under the Code.

### Federal Income Tax Consequences of Qualification

As a regulated investment company, a Fund will not be subject to Federal income tax on the portion of its investment company taxable income (that is, taxable interest, dividends, net short-term capital gains and other taxable ordinary income, net of expenses) and net capital gain (that is, the excess of net long-term capital gains over net short-term capital losses) that it distributes to shareholders. In order to qualify to be taxed as a regulated investment company, generally a Fund must satisfy the following requirements:

- The Fund must distribute an amount at least equal to the sum of 90% of its investment company taxable income, determined without regard to any deduction for dividends paid, plus 90% of its net tax-exempt interest, if any, each tax year (certain distributions made by the Fund after the close of its tax year are considered distributions attributable to the previous tax year for purposes of satisfying this requirement (the "Distribution Requirement")).

- The Fund must derive at least 90% of its gross income each year from dividends, interest, payments with respect to securities loans, and gains from the sale or other disposition of stocks, securities, and currencies, or other income (including gains from options and futures contracts) derived from its business of investing in such stocks, securities, and currencies and net income derived from interests in qualified publicly traded partnerships.

- The Fund must satisfy the following asset diversification tests at the close of each quarter of the Fund's tax year: (1) at least 50% of the value of the Fund's assets must consist of cash, cash items, U.S. Government securities, securities of other regulated investment companies, and securities of other issuers (as to which the Fund has not invested more than 5% of the value of the Fund's total assets in securities of an issuer and as to which the Fund does not hold more than 10% of the outstanding voting securities of the issuer); and

(2) no more than 25% of the value of the Fund's total assets may be invested in the securities of any one issuer (other than U.S. Government securities and securities of other regulated investment companies), or in two or more issuers which the Fund controls and which are engaged in the same or similar trades or businesses or in the securities of one or more qualified publicly traded partnerships.

While each Fund presently intends to make cash distributions (including distributions reinvested in Fund shares) for each tax year of an aggregate amount sufficient to satisfy the Distribution Requirement and eliminate Federal income tax, a Fund may use "equalization accounting" (in lieu of making some or all cash distributions) for those purposes. A Fund that uses equalization accounting will allocate a portion of its undistributed investment company taxable income and net capital gain to redemptions of Fund shares and will correspondingly reduce the amount of such income and gain that it distributes in cash. If the IRS determines that a Fund's allocation is improper and that the Fund has under-distributed its income and gain for any tax year, the Fund may be liable for Federal income and/or excise tax, and, if the Distribution Requirement has not been met, may also be unable to continue to qualify for tax treatment as a regulated investment company (see discussion below on what happens if a Fund fails to qualify for that treatment).

**Failure to Qualify**

If for any tax year a Fund does not qualify for tax treatment as a regulated investment company, all of its taxable income (including its net capital gain) will be subject to tax at regular corporate rates without any deduction for dividends paid to shareholders, and the dividends will generally be taxable to the shareholders as ordinary income to the extent of the Fund's current and accumulated earnings and profits.

Failure to qualify as a regulated investment company would thus have a negative impact on a Fund's income and performance. It is possible that a Fund will not qualify as a regulated investment company in any given tax year.

**Fund Distributions**

Each Fund anticipates distributing substantially all of its investment company taxable income and net tax-exempt interest (if any) for each tax year. These distributions are taxable to you as ordinary income.

A portion of a Fund's distributions may be treated as "qualified dividend income," taxable to individuals, under current law, at a maximum Federal income tax rate of either 15% or 20% (depending on whether the individual's income exceeds certain threshold amounts). A distribution is treated as qualified dividend income to the extent that a Fund receives dividend income from taxable domestic corporations and certain qualified foreign corporations, provided that holding period and other requirements are met by the Fund and the shareholder. To the extent a Fund's distributions are attributable to other sources, such as interest or capital gains, the distributions are not treated as qualified dividend income. A Fund's distributions of dividends that it received from REITs generally do not constitute "qualified dividend income."

A portion of a Fund's distributions, to the extent derived from dividends from domestic corporations, may be eligible for the corporate dividends-received deduction if certain holding period and other requirements are met.

Individuals (and certain other non-corporate entities) are generally eligible for a 20% deduction with respect to taxable ordinary REIT dividends and taxable income from MLPs through 2025. Treasury regulations allow a Fund to pass through to its shareholders such taxable ordinary REIT dividends. Accordingly, individual (and certain other non-corporate) shareholders of a Fund that have received such taxable ordinary REIT dividends may be able to take advantage of this 20% deduction with respect to any such amounts passed through. However, the regulations do not provide a mechanism for the Fund to pass through to its shareholders MLP net income, if any, or the 20% deduction with respect to taxable income from MLPs.

Certain distributions reported by a Fund as Section 163(j) interest dividends may be treated as interest income by shareholders for purposes of the tax rules applicable to interest expense limitations under Section 163(j) of the Code. Such treatment by the shareholder is generally subject to holding period requirements and other potential limitations, although the holding period requirements are generally not applicable to dividends declared by money market funds and certain other funds that declare dividends daily and pay such dividends on a monthly or more frequent basis.

The amount that a Fund is eligible to report as a Section 163(j) dividend for a tax year is generally limited to the excess of the Fund's business interest income over the sum of the Fund's (i) business interest expense and (ii) other deductions properly allocable to the Fund's business interest income.

A 3.8% Medicare tax is imposed on certain net investment income (including ordinary dividends and capital gain distributions received from a Fund and net gains from redemptions or other taxable dispositions of Fund shares) of U.S. individuals, estates and trusts to the extent that such person's "modified adjusted gross income" (in the case of an individual) or "adjusted gross income" (in the case of an estate or trust) exceeds certain threshold amounts.

Each Fund anticipates distributing substantially all of its net capital gain for each tax year. These distributions generally are made only once a year, usually in November or December, but a Fund may make additional distributions of net capital gain at any time during the year. These distributions are taxable to you as long-term capital gain, regardless of how long you have held shares. These distributions do not qualify for the dividends-received deduction. If a Fund retains for investment an amount equal to all or a portion of its net capital gain, it will be taxed on the amount retained (except to the extent of any available capital loss carryovers) at the highest corporate tax rate (currently 21%). In that event, the Fund will designate such retained amounts as undistributed capital gains in a notice to its shareholders who (a) will be required to include in income for Federal income tax purposes, as long-term capital gains, their proportionate shares of the undistributed amount, (b) will be entitled to credit their proportionate shares of the tax paid by the Fund on the undistributed amount against their Federal income tax liabilities, if any, and to claim refunds to the extent their credits exceed their liabilities, if any, and (c) will be entitled to increase their tax basis, for Federal income tax purposes, in their Fund shares by an amount equal to the excess of the amount in clause (a) over the amount in clause (b). Organizations or persons not subject to Federal income tax on such capital gains will be entitled to a refund of their pro rata share of such taxes paid by the Fund upon filing appropriate returns or claims for refund with the IRS.

As reflected in the following table, each Fund may have capital loss carryovers (unutilized capital losses from prior years). Net capital losses can be carried forward without expiration.

As of June 30, 2025, the capital loss carryovers available to offset future capital gains are as follows:

| Fund[(1)] | Short-Term | Long-Term | Total |
|---|---|---|---|
| Brown Advisory Growth Equity Fund | $--- | $--- | $--- |
| Brown Advisory Flexible Equity Fund | $--- | $--- | $--- |
| Brown Advisory Sustainable Growth Fund | $--- | $--- | $--- |
| Brown Advisory Mid-Cap Growth Fund | $--- | $--- | $--- |
| Brown Advisory Small-Cap Growth Fund | $--- | $--- | $--- |
| Brown Advisory Small-Cap Fundamental Value Fund | $--- | $--- | $--- |
| Brown Advisory Sustainable Small-Cap Core Fund | $--- | $--- | $--- |
| Brown Advisory Sustainable Value Fund | $--- | $--- | $--- |
| Brown Advisory Global Leaders Fund | $--- | $--- | $--- |
| Brown Advisory Sustainable International Leaders Fund | $--- | $--- | $--- |
| Brown Advisory Intermediate Income Fund | $(3,322,709) | $(9,322,612) | $(12,645,321) |
| Brown Advisory Sustainable Bond Fund | $(61,685,424)* | $(64,774,946)* | $(126,460,370) |
| Brown Advisory Maryland Bond Fund | $(520,419) | $(10,206,289) | $(10,726,708) |
| Brown Advisory Tax-Exempt Bond Fund | $(31,109,114) | $(72,498,087) | $(103,607,201) |
| Brown Advisory Tax-Exempt Sustainable Bond Fund | $(4,023,116) | $(18,208,643) | $(22,231,759) |
| Brown Advisory Mortgage Securities Fund | $(25,429,242) | $(6,734,097) | $(32,163,339) |
| Brown Advisory-WMC Strategic European Equity Fund | $--- | $--- | $--- |
| Brown Advisory Emerging Markets Select Fund | $(41,366,396) | $(13,217,204) | $(54,583,600) |
| Brown Advisory – Beutel Goodman Large-Cap Value Fund | $--- | $--- | $--- |
| Brown Advisory – WMC Japan Equity Fund[(1)] | $--- | $--- | $--- |

(1) The Brown Advisory – WMC Japan Equity Fund commenced operations on September 30, 2024.

* Subject to an annual use limitation.

In determining its net capital gain, including also in connection with determining the amount available to support a capital gain dividend, its taxable income and its earnings and profits, a Fund generally may elect to treat part or all of any post-October capital loss (defined as any net capital loss attributable to the portion, if any, of the taxable year after October 31 or, if there is no such loss, the net long-term capital loss or net short-term capital loss attributable to any such portion of the taxable year) or late-year ordinary loss (generally, the sum of its (i) net ordinary loss, if any, from the sale, exchange or other taxable disposition of property, attributable to the portion, if any, of the taxable year after October 31, and its (ii) other net ordinary loss, if any, attributable to the portion, if any, of the taxable year after December 31) as if incurred in the succeeding taxable year.

A Fund's ability to use certain tax benefits could be limited if the Fund experiences an "ownership change" within the meaning of Section 382 of the Code. Such tax benefits include net capital losses and certain built-in losses. An ownership change may occur if there is a greater than 50% change in the value of the stock of the Fund owned by five percent shareholders during the testing period (generally three years). An ownership change may be triggered

by the purchase and sale, redemption, or new issuance of Fund shares or by a merger of the Fund with another regulated investment company.

The Funds operate using a fiscal and taxable year ending on June 30 of each year.

Distributions by a Fund that do not constitute ordinary income dividends or capital gain dividends will be treated as a return of capital. Return of capital distributions reduce your tax basis in the shares and are treated as gain from the sale of the shares to the extent your basis would be reduced below zero.

All distributions by a Fund will be treated in the manner described above regardless of whether the distribution is paid in cash or reinvested in additional shares of the Fund (or of another fund). If you receive distributions in the form of additional shares, you will be treated as receiving a distribution in an amount equal to the amount of cash that would have been received instead of such shares.

You may purchase shares with a NAV at the time of purchase that reflects undistributed net investment income or recognized capital gain, or unrealized appreciation in the value of the assets of a Fund. Distributions of these amounts are taxable to you in the manner described above, although the distribution economically constitutes a return of capital to you.

Ordinarily, you are required to take distributions by a Fund into account in the tax year in which they are received. However, a distribution declared in October, November or December of any year and payable to shareholders of record on a specified date in those months, however, is deemed to be paid by the Fund and received by you on December 31 of that calendar year if the distribution is actually paid in January of the following year.

Each Fund will send you information annually as to the Federal income tax consequences of distributions made (or deemed made) during the year.

**Distributions - Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund and Brown Advisory Tax-Exempt Sustainable Bond Fund**

The Code permits the character of tax-exempt interest distributed by a regulated investment company to "flow through" as tax-exempt interest to its shareholders, provided that 50% or more of the value of its assets at the end of each quarter of its taxable year is invested in state, municipal or other obligations the interest on which is exempt under Section 103(a) of the Code. Each of the Brown Advisory Maryland Bond Fund, the Brown Advisory Tax-Exempt Bond Fund and the Brown Advisory Tax-Exempt Sustainable Bond Fund intends to satisfy the 50% requirement to permit its distributions of tax-exempt interest to be treated as such for regular Federal income tax purposes in the hands of their shareholders. Exempt-interest dividends must be taken into account by individual shareholders in determining whether their total incomes are large enough to result in taxation of up to 85% of their social security benefits and certain railroad retirement benefits. None of the income distributions of the Brown Advisory Maryland Bond Fund, the Brown Advisory Tax-Exempt Bond Fund or the Brown Advisory Tax-Exempt Sustainable Bond Fund is expected to be eligible for the reduced individual tax rates applicable to qualified dividend income or the corporate dividends-received deduction.

Although a significant portion of the distributions by the Brown Advisory Maryland Bond Fund, Brown Advisory Tax-Exempt Bond Fund, and Brown Advisory Tax-Exempt Sustainable Bond Fund generally is expected to be exempt from Federal income taxes, these Funds may under certain circumstances invest in obligations the interest from which is fully taxable, or, although exempt from the regular Federal income tax, is subject to the Federal alternative minimum tax. Similarly, gains from the sale or exchange of obligations the interest on which is exempt from regular Federal income tax will constitute taxable income to these Funds. Taxable income or gain may also arise from taxable investments including securities lending transactions, repurchase agreements and options and futures transactions and from municipal obligations acquired at a market discount. Accordingly, it is possible that a significant portion of the distributions of these Funds will constitute taxable rather than tax-exempt income in the hands of a shareholder. Furthermore, investors should be aware that tax laws may change, and issuers may fail to follow applicable laws, causing a tax-exempt item to become taxable. Any interest on indebtedness incurred or continued to purchase or carry the shares of the Brown Advisory Maryland Bond Fund, Brown Advisory Tax-

Exempt Bond Fund or Brown Advisory Tax-Exempt Sustainable Bond Fund to which exempt-interest dividends is allocated is not deductible.

In addition, as discussed below, a sale, exchange or redemption of shares in the Fund will be a taxable event, and may result in a taxable gain or loss to a shareholder. Shareholders should be aware that redeeming shares of the Funds after tax-exempt interest has been accrued by the Fund but before that income has been declared as a dividend may be disadvantageous. This is because the gain, if any, on the redemption will be taxable, even though such gains may be attributable in part to the accrued tax-exempt interest which, if distributed to the shareholder as a dividend rather than as redemption proceeds, might have qualified as an exempt-interest dividend. Further, any capital loss arising from the sale, exchange or redemption of shares in the Fund held for six months or less, will be disallowed to the extent of the amount of exempt-interest dividends received on such shares.

Exempt-interest dividends, ordinary dividends, if any, and capital gains distributions from the Fund, and any capital gains or losses realized from the sale or exchange of Fund shares, may be subject to state and local taxes, although, in certain states, exempt interest dividends may be exempt from taxation in that state to the extent derived from tax-exempt interest on municipal securities issued by that state.

Opinions relating to the validity of municipal securities and the exemption of interest thereon from Federal income tax are rendered by bond counsel to the issuers. The Funds, the Adviser and its affiliates and the Funds' counsel make no review of proceedings relating to the issuance of state or municipal securities or the bases of such opinions.

Section 147(a) of the Code prohibits exemption from taxation of interest on certain governmental obligations to persons who are "substantial users" (or persons related thereto) of facilities financed thereby. No investigation has been made as to the users of the facilities financed by bonds in the Funds' portfolios. Persons who may be "substantial users" (or "related persons" of substantial users) of facilities financed by private activity bonds should consult their tax advisors before purchasing shares of the Funds since the acquisition of shares of the Funds may result in adverse tax consequences to them.

**Certain Tax Rules Applicable to the Funds' Transactions**

For Federal income tax purposes, when put and call options purchased by a Fund expire unexercised, the premiums paid by the Fund give rise to short- or long-term capital losses at the time of expiration (depending on the length of the respective exercise periods for the options). When put and call options written by a Fund expire unexercised, the premiums received by the Fund give rise to short-term capital gains at the time of expiration. When a Fund exercises a call, the purchase price of the underlying security is increased by the amount of the premium paid by the Fund. When a Fund exercises a put, the proceeds from the sale of the underlying security are decreased by the premium paid. When a put or call written by a Fund is exercised, the purchase price (selling price in the case of a call) of the underlying security is decreased (increased in the case of a call) for tax purposes by the premium received.

Some of the debt securities that may be acquired by a Fund may be treated as debt securities that are issued with original issue discount ("OID"). Generally, the amount of the OID is treated as interest income and is included in income over the term of the debt security, even though payment of that amount is not received until a later time, usually when the debt security matures. Additionally, some of the debt securities that may be acquired by a Fund in the secondary market may be treated as having market discount. Generally, any gain recognized on the disposition of, and any partial payment of principal on, a debt security having market discount is treated as ordinary income to the extent the gain, or principal payment, does not exceed the "accrued market discount" on such debt security. A Fund may make one or more of the elections applicable to debt securities having market discount, which could affect the character and timing of recognition of income. A Fund generally will be required to distribute dividends to shareholders representing discount on debt securities that is currently includable in income, even though cash representing such income may not have been received by the Fund. Cash to pay such dividends may be obtained from sales proceeds of securities held by the Fund.

A Fund may invest a portion of its net assets in below investment grade instruments. Investments in these types of instruments may present special tax issues for the Fund. Federal income tax rules are not entirely clear about issues such as when a Fund may cease to accrue interest, OID or market discount, when and to what extent deductions may be taken for bad debts or worthless instruments, how payments received on obligations in default should be allocated

between principal and income and whether exchanges of debt obligations in a bankruptcy or workout context are taxable. These and other issues will be addressed by a Fund to the extent necessary in order to seek to ensure that it distributes sufficient income to maintain its status as a regulated investment company and that it does not become subject to U.S. Federal income or excise tax.

Certain listed options, regulated futures contracts and forward currency contracts are considered "Section 1256 contracts" for Federal income tax purposes. Section 1256 contracts held by a Fund at the end of each tax year are "marked to market" and treated for Federal income tax purposes as though sold for fair market value on the last business day of the tax year. Gains or losses realized by a Fund on Section 1256 contracts generally are considered 60% long-term and 40% short-term capital gains or losses. A Fund can elect to exempt its Section 1256 contracts that are part of a "mixed straddle" (as described below) from the application of Section 1256 of the Code.

Any option, futures contract or other position entered into or held by a Fund in conjunction with any other position held by the Fund may constitute a "straddle" for Federal income tax purposes. A straddle of which at least one, but not all, the positions are Section 1256 contracts, may constitute a "mixed straddle." In general, straddles are subject to certain rules that may affect the character and timing of a Fund's gains and losses with respect to straddle positions by requiring, among other things, that: (1) the loss realized on disposition of one position of a straddle may not be recognized to the extent that the Fund has unrealized gains with respect to the other position in such straddle; (2) the Fund's holding period in straddle positions be suspended while the straddle exists (possibly resulting in a gain being treated as short-term capital gain rather than long-term capital gain); (3) the losses recognized with respect to certain straddle positions which are part of a mixed straddle and which are non-Section 1256 contracts be treated as 60% long-term and 40% short-term capital loss; (4) losses recognized with respect to certain straddle positions which would otherwise constitute short-term capital losses be treated as long-term capital losses; and (5) the deduction of interest and carrying charges attributable to certain straddle positions may be deferred. Various elections are available to a Fund, which may mitigate the effects of the straddle rules, particularly with respect to mixed straddles. In general, the straddle rules described above do not apply to any straddles held by a Fund if all of the offsetting positions consist of Section 1256 contracts.

Certain rules may affect the timing and character of gain if a Fund engages in transactions that reduce or eliminate its risk of loss with respect to appreciated financial positions. If a Fund enters into certain transactions in property while holding substantially identical property, the Fund would be treated as if it had sold and immediately repurchased the property and would be taxed on any gain (but not loss) from the constructive sale. The character of gain from a constructive sale would depend upon the Fund's holding period in the property. Loss from a constructive sale would be recognized when the property was subsequently disposed of, and its character would depend on the Fund's holding period and the application of various loss deferral provisions of the Code.

Under the Code, gains or losses attributable to fluctuations in exchange rates which occur between the time a Fund accrues interest or other receivables or accrues expenses or other liabilities denominated in a foreign currency and the time the Fund actually collects such receivables or pays such liabilities are treated as ordinary income or ordinary loss. Similarly, gains or losses from the disposition of foreign currencies, from the disposition of debt securities denominated in a foreign currency, or from the disposition of a forward contract, certain financial contracts or options denominated in a foreign currency which are attributable to fluctuations in the value of the foreign currency between the date of acquisition of the asset and the date of disposition also are treated as ordinary income or loss. These gains or losses, referred to under the Code as "Section 988" gains or losses, generally increase or decrease the amount of the Fund's investment company taxable income available to be distributed to its shareholders as ordinary income, rather than increasing or decreasing the amount of the Fund's net capital gain.

A Fund may invest in shares of foreign corporations which may be classified under the Internal Revenue Code as passive foreign investment companies ("PFICs"). In general, a foreign corporation is classified as a PFIC if at least one-half of its assets constitute investment-type assets or 75% or more of its gross income is investment-type income. If a Fund receives a so-called "excess distribution" with respect to PFIC stock, the Fund itself may be subject to a tax on a portion of the excess distribution, whether or not the corresponding income is distributed by the Fund to shareholders. In general, under the PFIC rules, an excess distribution is treated as having been realized ratably over the period during which the Fund held the PFIC shares. The Fund itself will be subject to tax on the portion, if any, of an excess distribution that is so allocated to prior Fund taxable years and an interest factor will be added to the tax, as if the tax had been payable in such prior taxable years. Certain distributions from a PFIC as well

as gain from the sale of PFIC shares are treated as excess distributions. Excess distributions are characterized as ordinary income even though, absent application of the PFIC rules, certain excess distributions might have been classified as capital gain.

A Fund may be eligible to elect alternative tax treatment with respect to PFIC shares. Under an election that currently is available in some circumstances, a Fund generally would be required to include in its gross income its share of the earnings of a PFIC on a current basis, regardless of whether distributions are received from the PFIC in a given year. If this election were made, the special rules, discussed above, relating to the taxation of excess distributions, would not apply.

Alternatively, a Fund may elect to mark-to-market its PFIC shares at the end of each tax year (as well as on certain other dates as prescribed in the Code), with the result that unrealized gains would be treated as though they were realized and reported as ordinary income. Any mark-to-market losses would be deductible as ordinary losses to the extent of any net mark-to-market gains included in income in prior tax years.

Because the application of the PFIC rules may affect, among other things, the character of gains, the amount of gain or loss and the timing of the recognition of income with respect to PFIC shares, as well as subject a Fund itself to tax on certain income from PFIC shares, the amount that must be distributed to shareholders, and which will be taxed to shareholders as ordinary income or long-term capital gain, may be increased or decreased substantially as compared to a fund that did not invest in PFIC shares. Note that distributions from a PFIC are not eligible for the reduced rate of tax on "qualified dividend income".

A Fund or some of the REITs in which a Fund may invest will be permitted to hold residual interests in real estate mortgage investment conduits ("REMICs"). Under Treasury regulations not yet issued, but that may apply retroactively, a portion of a Fund's income from a REIT that is attributable to the REIT's residual interest in a REMIC (referred to in the Code as an "excess inclusion") will be subject to federal income tax in all events. These regulations are expected to provide that excess inclusion income of a regulated investment company, such as the Fund, will be allocated to shareholders of the regulated investment company in proportion to the dividends received by shareholders, with the same consequences as if shareholders held the related REMIC residual interest directly.

In general, excess inclusion income allocated to shareholders (i) cannot be offset by net operating losses (subject to a limited exception for certain thrift institutions), (ii) will constitute unrelated business taxable income to entities (including a qualified pension plan, an individual retirement account, a 401(k) plan, a Keogh plan or other tax-exempt entity) subject to tax on unrelated business income, thereby potentially requiring such an entity that is allocated excess inclusion income, and that otherwise might not be required to file a tax return, to file a tax return and pay tax on such income, and (iii) in the case of a non-U.S. shareholder, will not qualify for any reduction in U.S. federal withholding tax.

If at any time during any taxable year a "disqualified organization" (as defined in the Code) is a record holder of a share in a regulated investment company, then the regulated investment company will be subject to a tax equal to that portion of its excess inclusion income for the taxable year that is allocable to the disqualified organization, multiplied by the highest federal income tax rate imposed on corporations. It is not expected that a substantial portion of the Fund's assets will be residual interests in REMICs. Additionally, the Fund does not intend to invest in REITs in which a substantial portion of the assets will consist of residual interests in REMICs.

**Federal Excise Tax**

A 4% nondeductible excise tax is imposed on a regulated investment company that fails to distribute in each calendar year an amount at least equal to the sum of: (1) 98% of its ordinary taxable income (taking into account certain deferrals and elections) for the calendar year; (2) 98.2% of its capital gain net income (adjusted for certain ordinary losses) for the one-year period ended on October 31 of the calendar year; plus (3) all ordinary taxable income and capital gains for previous years that were not distributed during such years. The balance of each Fund's income must be distributed during the next calendar year. A Fund will be treated as having distributed any amount on which it is subject to income tax for any tax year ending in the calendar year.

For purposes of calculating the excise tax, a Fund: (1) reduces its capital gain net income (but not below its net capital gain) by the amount of any net ordinary loss for the calendar year; and (2) excludes foreign currency gains and losses (and certain other ordinary gains and losses) incurred after October 31 of any year in determining the amount of ordinary taxable income for the current calendar year. A Fund will include foreign currency gains and losses incurred after October 31 in determining ordinary taxable income for the succeeding calendar year.

Each Fund intends to make sufficient distributions of its ordinary taxable income and capital gain net income prior to the end of each calendar year to avoid liability for the excise tax. Investors should note, however, that a Fund might in certain circumstances be required to liquidate portfolio investments to make sufficient distributions to avoid excise tax liability.

**Sale, Exchange or Redemption of Shares**

In general, you will recognize gain or loss on the sale, exchange or redemption of shares of a Fund in an amount equal to the difference between the proceeds of the sale, exchange or redemption and your adjusted tax basis in the shares. All or a portion of any loss so recognized may be disallowed if you purchase (for example, by reinvesting dividends) Fund shares within 30 days before or after the sale, exchange or redemption (a "wash sale"). If disallowed, the loss will be reflected in an upward adjustment to the basis of the shares purchased. In general, any gain or loss arising from the sale, exchange or redemption of shares of a Fund will be considered capital gain or loss and will be long-term capital gain or loss if the shares were held for longer than one year. Any capital loss arising from the sale, exchange or redemption of shares held for six months or less, however, will be treated as a long-term capital loss to the extent of the amount of distributions of net capital gain received on such shares and will be disallowed to the extent of the amount of exempt-interest distributions received on such shares. In determining the holding period of such shares for this purpose, any period during which your risk of loss is offset by means of options, short sales or similar transactions is not counted. Capital losses in any year are deductible only to the extent of capital gains plus, in the case of a non-corporate taxpayer, $3,000 of ordinary income.

Each Fund (or its administrative agent) is required to report to the IRS and furnish to shareholders the cost basis information for sale transactions of shares. Shareholders may elect to have one of several cost basis methods applied to their account when calculating the cost basis of shares sold, including average cost, FIFO ("first-in, first-out") or some other specific identification method. Unless you instruct otherwise, a Fund will use average cost as its default cost basis method. The cost basis method a shareholder elects may not be changed with respect to a redemption of shares after the settlement date of the redemption. Shareholders should consult with their tax advisors to determine the best cost basis method for their tax situation. Shareholders that hold their shares through a financial intermediary should contact such financial intermediary with respect to reporting of cost basis and available elections for their accounts.

**Backup Withholding**

A Fund will be required in certain cases to withhold and remit to the U.S. Treasury at a rate under current law of 24% of taxable distributions and the proceeds of redemptions of shares paid to you if you: (1) have failed to provide your correct taxpayer identification number; (2) are otherwise subject to backup withholding by the IRS for failure to report the receipt of interest or dividend income properly; or (3) have failed to certify to the Fund that you are not subject to backup withholding or that you are a corporation or other "exempt recipient." Backup withholding is not an additional tax; rather any amounts so withheld may be credited against your Federal income tax liability or refunded if proper documentation is provided.

**State and Local Taxes**

The tax rules of the various states of the U.S. and their local jurisdictions with respect to an investment in a Fund can differ from the Federal income taxation rules described above. These state and local rules are not discussed herein. You are urged to consult your tax advisor as to the consequences of state and local tax rules with respect to an investment in the Fund.

**Foreign Income Tax**

Investment income received by a Fund from sources within foreign countries may be subject to foreign income taxes withheld at the source. The United States has entered into tax treaties with many foreign countries that may entitle the Fund to a reduced rate of such taxes or exemption from taxes on such income. It is impossible to know the effective rate of foreign tax in advance since the amount of a Fund's assets to be invested within various countries cannot be determined. If more than 50% of the value of a Fund's total assets at the close of its taxable year consists of stocks or securities of foreign corporations, or if at least 50% of the value of a Fund's total assets at the close of each quarter of its taxable year is represented by interests in other regulated investment companies, the Fund will be eligible and intends to file an election with the IRS to pass through to its shareholders the amount of foreign taxes paid by the Fund subject to certain exceptions. However, there can be no assurance that a Fund will be able to do so. Pursuant to this election, you will be required to (1) include in gross income (in addition to taxable dividends actually received) your pro rata share of foreign taxes paid by the Fund, (2) treat your pro rata share of such foreign taxes as having been paid by you and (3) either deduct such pro rata share of foreign taxes in computing your taxable income or treat such foreign taxes as a credit against Federal income taxes. You may be subject to rules which limit or reduce your ability to fully deduct, or claim a credit for, your pro rata share of the foreign taxes paid by the Fund.

**Foreign Shareholders**

The foregoing discussion relates only to U.S. Federal income tax law as applicable to U.S. persons (i.e., U.S. citizens and residents and U.S. domestic corporations, partnerships, trusts and estates). Shareholders who are not U.S. persons ("foreign shareholders") should consult their tax advisers regarding U.S. and foreign tax consequences of ownership of shares of a Fund including the likelihood that taxable distributions to them would be subject to withholding of U.S. tax at a rate of 30% (or a lower treaty rate for eligible investors). Two categories of dividends, "short-term capital gain dividends" and "interest-related dividends," if reported by a Fund in writing to its shareholders, are generally exempt from such withholding tax. "Short-term capital gain dividends" are dividends that are attributable to net short-term capital gain, computed with certain adjustments. "Interest-related dividends" are dividends that are attributable to "qualified net interest income" (i.e., "qualified interest income," which generally consists of certain original issue discount, interest on obligations "in registered form," and interest on deposits, less allocable deductions) from sources within the United States. Depending on the circumstances, a Fund may report all, some or none of the Fund's potentially eligible dividends as eligible for exemption from withholding tax, and a portion of the Fund's distributions (e.g., interest and dividends from non-U.S. sources or any non-U.S. currency gains) would be ineligible for such exemption. In order to qualify for this exemption from withholding, a non-U.S. shareholder must have provided appropriate withholding certificates (e.g., an executed W-8BEN, etc.) certifying foreign status. An investment in a Fund may also be included in determining a foreign shareholder's U.S. estate tax liability.

The Funds are required to withhold U.S. tax (at a 30% rate) on payments of taxable dividends made to certain non-U.S. entities that fail to comply (or be deemed compliant) with extensive reporting and withholding requirements designed to inform the U.S. Department of the Treasury of U.S.-owned foreign investment accounts. Shareholders may be requested to provide additional information to the Funds to enable the Funds to determine whether withholding is required.

**Maryland Taxes (Brown Advisory Maryland Bond Fund)**

Distributions attributable to interest received by the Fund on Maryland municipal obligations and certain U.S. government obligations are generally exempt from Maryland state and local income taxes. Distributions attributable to the Fund's other income or gains, however, are generally subject to these taxes. Interest on indebtedness incurred by a shareholder to purchase or carry Fund shares generally is not deductible for purposes of Maryland state or local income tax.

Distributions of income derived from interest on Maryland municipal obligations may not be exempt from taxation under the laws of states other than Maryland.

To the extent the Fund receives interest on certain private activity bonds, a proportionate part of the exempt-interest dividends paid by the Fund may be treated as an item of tax preference for the Federal alternative minimum tax and Maryland's tax on tax preference items. In addition to the preference item for interest on private activity bonds, corporate shareholders must include the full amount of exempt-interest dividends in computing tax preference items for purposes of the alternative minimum tax.

If you borrow money to purchase or carry shares of the Fund, the interest on your debt generally is not deductible for Federal income tax purposes.

## OTHER MATTERS

**Control Persons and Principal Shareholders**

A principal shareholder is any person who owns of record or beneficially 5% or more of the outstanding shares of the Funds. A control person is one who owns beneficially or through controlled companies more than 25% of the voting securities of a Fund or acknowledges the existence of control.

As of September 30, 2025, the Trustees and Officers as a group owned less than 1% of the outstanding shares of each Fund and each class of shares of each Fund other than; (1) the Brown Advisory Emerging Markets Select Fund, where the Trustees and Officers as a group owned approximately 40% of the Investor Shares of the Brown Advisory Emerging Markets Select Fund, and (2) the Brown Advisory Sustainable International Leaders Fund, where the Trustees and Officers as a group owned approximately 8% of the Investor Shares of the Brown Advisory Sustainable International Leaders Fund. As of September 30, 2025, the following shareholders were considered to be either a control person or principal shareholder of the Funds:

| Fund | Shareholder and Address | Percentage of Class Owned |
|---|---|---|
| Brown Advisory Growth Equity Fund Institutional Shares | Default Fund<br>Attn: Customer<br>SEI Private Trust Company<br>One Freedom Valley Drive<br>Oaks, PA 19456-9989 | 22.31% |
| | SEI Private Trust Company<br>Attn: Mutual Funds Admin<br>One Freedom Valley Drive<br>Oaks, PA 19456-9989 | 21.10% |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 15.88% |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 8.22% |
| Brown Advisory Growth Equity Investor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 54.56% |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 10.51% |
| | Pershing LLC<br>1 Pershing Plz FL 14<br>Jersey City NJ 07399-2052 | 10.21% |

| Fund | Shareholder and Address | Percentage of Class Owned |
|---|---|---|
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 5.18% |
| Brown Advisory Growth Equity Fund<br>Advisor Shares | Merrill Lynch Pierce Fenner & Smith<br>For the Sole Benefit Of Its Customers<br>4800 Deer Lake DR E<br>Jacksonville, FL 32246-6484 | 29.33% |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010-2010 | 23.82% |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 18.23% |
| | Matrix Trust Company<br>Cust FBO Employees Sharing Plan of GE<br>PO Box 52129<br>Phoenix, AZ 85072-2129 | 8.76% |
| | Pershing LLC<br>1 Pershing Plz FL 14<br>Jersey City NJ 07399-2052 | 5.63% |
| Brown Advisory Flexible Equity Fund<br>Institutional Shares | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 29.09% |
| | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 27.28% |
| | Capinco<br>c/o U.S. Bank, NA<br>1555 RiverCenter DR. Ste 302<br>Milwaukee, WI 53212-3958 | 10.79% |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 10.13% |
| | Reliance Trust Company<br>FBO Plan Clients<br>PO Box 78446<br>Atlanta, GA 30357 | 6.42% |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 6.36% |
| Brown Advisory Flexible Equity Fund<br>Investor Shares | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 49.07% |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 28.86% |

| Fund | Shareholder and Address | Percentage of Class Owned |
|---|---|---|
| | Capinco<br>c/o U.S. Bank, NA<br>1555 RiverCenter DR. Ste 302<br>Milwaukee, WI 53212-3958 | 6.28% |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 5.47% |
| Brown Advisory Flexible Equity Fund<br>Advisor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 39.71% |
| | SEI Private Trust Company<br>Attn: Mutual Funds Admin<br>One Freedom Valley Drive<br>Oaks, PA 19456-9989 | 16.24% |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 8.95% |
| | Merrill Lynch Pierce Fenner & Smith<br>For the Sole Benefit Of Its Customers<br>4800 Deer Lake DR E<br>Jacksonville, FL 32246-6484 | 8.52% |
| | Pershing LLC<br>1 Pershing Plz, FL 14<br>Jersey City, NJ 07399-0002 | 8.39% |
| | Wells Fargo Clearing Services LLC<br>Special Custody Acct for the Exclusive<br>Benefit of Customers<br>2801 Market St<br>St. Louis, MO 63103-2523 | 7.91% |
| Brown Advisory Sustainable Growth Fund<br>Institutional Shares | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-1995 | 23.35% |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 22.12% |
| | Merrill Lynch Pierce Fenner & Smith<br>For the Sole Benefit Of Its Customers<br>4800 Deer Lake DR E<br>Jacksonville, FL 32246-6484 | 9.61% |
| | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 6.77% |
| Brown Advisory Sustainable Growth Fund<br>Investor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 43.41% |

| Fund | Shareholder and Address | Percentage of Class Owned | |
|---|---|---|---|
| | LPL Financial LLC<br>FBO Customer Accounts<br>Attn Mutual Funds Operations<br>4707 Executive Dr<br>San Diego, CA 92121-3091 | 14.08% | |
| | Morgan Stanley Smith Barney LLC<br>Special Custody Acct for Exclusive<br>Benefit of Cust of MSSB<br>1 New York Plz, FL 12<br>New York, NY 10004-1965 | 12.63% | |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 9.32% | |
| Brown Advisory Sustainable Growth Fund<br>Advisor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 22.10% | |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 21.52% | |
| | Merrill Lynch Pierce Fenner & Smith<br>For the Sole Benefit Of Its Customers<br>4800 Deer Lake DR E<br>Jacksonville, FL 32246-6484 | 5.24% | |
| Brown Advisory Mid-Cap Growth Fund<br>Institutional Shares | Washinco<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 39.49% | |
| | Capinco<br>c/o U.S. Bank, NA<br>1555 RiverCenter DR. Ste 302<br>Milwaukee, WI 53212-3958 | 19.28% | |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 12.77% | |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 9.22% | |
| | SEI Investments Guernsey LTD.<br>SEI Nominees Guernsey LTD.<br>SEI Investments, Attn: SWP RECS<br>1st FL Alphabeta 14-18 Finsbury SQ<br>London United Kingodm EC2A1BR | 5.62% | |
| Brown Advisory Mid-Cap Growth Fund<br>Investor Shares | William S Roohan<br>Towson, MD 21204 | 24.93% | (1) |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 22.12% | |

| Fund | Shareholder and Address | Percentage of Class Owned |
|---|---|---|
| | Elizabeth & Lieberman &<br>David A Greif JTWROS<br>Stamford, CT 06903 | 21.67% (1) |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 18.75% |
| | Morgan Stanley Smith Barney LLC<br>Special Custody Acct for Exclusive<br>Benefit of Cust of MSSB<br>1 New York Plz, FL 12<br>New York, NY 10004-1965 | 6.59% |
| Brown Advisory Small-Cap Growth Fund<br>Institutional Shares | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 22.23% |
| | Wells Fargo Clearing Services LLC<br>Special Custody Acct for the Exclusive<br>Benefit of Customers<br>2801 Market St<br>St. Louis, MO 63103-2523 | 14.92% |
| | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 14.67% |
| | JP Morgan Securities LLC<br>For the Exclusive Benefit of Customers<br>4 Chase Metrotech Center<br>3rd Floor Mutual Fund Dept<br>Brooklyn, NY 11245-0003 | 9.92% |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 6.83% |
| | Empower Trust FBO<br>Retirement Plans<br>8515 E. Orchard RD 2t2<br>Greenwood Village CO 80111-5002 | 5.04% |
| Brown Advisory Small-Cap Growth Fund<br>Investor Shares | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 34.97% |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 25.75% |
| | LPL Financial LLC<br>FBO Customer Accounts<br>Attn: Mutual Funds Operations<br>4707 Executive Dr<br>San Diego, CA 9212-3091 | 13.77% |

| Fund | Shareholder and Address | Percentage of Class Owned |
|---|---|---|
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 8.31% |
| Brown Advisory Small-Cap Growth Fund Advisor Shares | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 31.46% |
| | Wells Fargo Clearing Services LLC<br>Special Custody Acct for the Exclusive Benefit of Customers<br>2801 Market St<br>St. Louis, MO 63103-2523 | 24.56% |
| | Merrill Lynch Pierce Fenner & Smith<br>For the Sole Benefit Of Its Customers<br>4800 Deer Lake DR E<br>Jacksonville, FL 32246-6484 | 15.47% |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 12.89% |
| Brown Advisory Small-Cap Fundamental Value Fund Institutional Shares | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 37.85% |
| | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 21.38% |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 9.46% |
| | Charles Schwab & Co., Inc.<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 8.11% |
| | Capinco<br>c/o U.S. Bank, NA<br>1555 RiverCenter DR. Ste 302<br>Milwaukee, WI 53212-3958 | 7.07% |
| Brown Advisory Small-Cap Fundamental Value Fund Investor Shares | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 36.46% |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 25.92% |
| | Capinco<br>c/o U.S. Bank, NA<br>1555 RiverCenter DR. Ste 302<br>Milwaukee, WI 53212-3958 | 19.97% |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 6.27% |

| Fund | Shareholder and Address | Percentage of Class Owned | |
|---|---|---|---|
| Brown Advisory Small-Cap Fundamental Value Fund Advisor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 47.07% | |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 36.03% | |
| Brown Advisory Sustainable Small-Cap Core Fund<br>Institutional Shares | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 43.42% | |
| | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 27.12% | |
| | Capinco<br>c/o U.S. Bank, NA<br>1555 RiverCenter DR. Ste 302<br>Milwaukee, WI 53212-3958 | 7.90% | |
| Brown Advisory Sustainable Small-Cap Core Fund<br>Investor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 69.20% | |
| | Default Funds<br>Attn: M Cust<br>1 Freedom Valley Dr<br>Oaks, PA 19546-9989 | 17.05% | |
| | US Bank NA Cust<br>David G Buth Roth IRA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 9.85% | (1) |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 0.29% | |
| Brown Advisory Sustainable Value Fund<br>Institutional Shares | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 58.12% | |
| | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 34.71% | |
| Brown Advisory Sustainable Value Fund<br>Investor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 57.96% | |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 24.41% | |
| Brown Advisory Global Leaders Fund<br>Institutional Shares | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 37.27% | |

| Fund | Shareholder and Address | Percentage of Class Owned | |
|---|---|---|---|
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 32.76% | |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 10.06% | |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 8.91% | |
| Brown Advisory Global Leaders Fund<br>Investor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 34.06% | |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 24.42% | |
| | Gerlach & Co LLC<br>c/o Citibank Center Bldg B3-14<br>Tampa FL 33610 | 13.18% | |
| | Morgan Stanley Smith Barney LLC<br>Special Custody Acct For the Exclusive Benefit of Customers of MSSB<br>1 New York Plz, FL 12<br>New York, NY 10004-1965 | 8.26% | |
| Brown Advisory Sustainable International Leaders Fund<br>Institutional Shares | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 58.19% | |
| | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 27.23% | |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 6.79% | |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 5.72% | |
| Brown Advisory Sustainable International Leaders Fund<br>Investor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 65.88% | |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 12.89% | |
| | Thomas F O'Neil III &<br>Nancy D O'Neil JTWROS<br>c/o Brown Advisory LLC<br>901 South Bond St<br>Baltimore, MD 21231 | 7.24% | (1) |

| Fund | Shareholder and Address | Percentage of Class Owned | |
|---|---|---|---|
| Brown Advisory Intermediate Income Fund Investor Shares | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 48.87% | |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 13.24% | |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 10.20% | |
| | Capinco<br>c/o U.S. Bank, NA<br>1555 RiverCenter DR. Ste 302<br>Milwaukee, WI 53212-3958 | 9.00% | |
| | SEI Investments Guernsey LTD.<br>SEI Nominees Guernsey LTD.<br>SEI Investments, Attn: SWP RECS<br>1st FL Alphabeta 14-18 Finsbury SQ<br>London United Kingodm EC2A1BR | 8.15% | |
| Brown Advisory Intermediate Income Fund Advisor Shares | Raymond James & Assoc, Inc.<br>880 Carillon PKWY<br>St. Petersburg, FL 33716-1100 | 23.81% | |
| | US Bank NA Cust<br>Michael Kochowiec IRA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 18.50% | (1) |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 9.74% | |
| | Morgan Stanley Smith Barney LLC<br>Special Custody Acct For the Exclusive Benefit of Customers of MSSB<br>1 New York Plz, FL 12<br>New York, NY 10004-1965 | 5.47% | |
| | LPL Financial LLC<br>FBO Customer Accounts<br>Attn Mutual Funds Operations<br>4707 Executive Dr<br>San Diego, CA 92121-3091 | 5.21% | |
| Brown Advisory Sustainable Bond Fund Institutional Shares | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 25.58% | |
| | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 21.69% | |

| Fund | Shareholder and Address | Percentage of Class Owned |
|---|---|---|
| | SEI Investments Guernsey LTD.<br>SEI Nominees Guernsey LTD.<br>SEI Investments, Attn: SWP RECS<br>1st FL Alphabeta 14-18 Finsbury SQ<br>London United Kingodm EC2A1BR | 13.67% |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 10.04% |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 7.85% |
| | Brown Brothers Harriman & Co<br>Attn Mutual Funds Services<br>140 Broadway<br>New York, NY 1005-1108 | 6.03% |
| | Capinco<br>c/o U.S. Bank, NA<br>1555 RiverCenter DR. Ste 302<br>Milwaukee, WI 53212-3958 | 5.92% |
| Brown Advisory Sustainable Bond Fund<br>Investor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 29.98% |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 26.34% |
| | LPL Financial LLC<br>FBO Customer Accounts<br>Attn Mutual Funds Operations<br>4707 Executive Dr<br>San Diego, CA 92121-3091 | 17.41% |
| | Equity Trust<br>FBO Shareholders<br>1 Equity Way<br>Westlake, OH 44145-1050 | 8.17% |
| | Merrill Lynch Pierce Fenner & Smith<br>For the Sole Benefit Of Its Customers<br>4800 Deer Lake DR E<br>Jacksonville, FL 32246-6484 | 5.55% |
| Brown Advisory Maryland Bond Fund<br>Investor Shares | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 60.14% |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 20.37% |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 8.33% |

| Fund | Shareholder and Address | Percentage of Class Owned |
|---|---|---|
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 6.92% |
| Brown Advisory Tax-Exempt Bond Fund Institutional Shares | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 56.31% |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 24.17% |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 11.89% |
| Brown Advisory Tax-Exempt Bond Fund Investor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 58.18% |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 13.46% |
| | Morgan Stanley Smith Barney LLC<br>Special Custody Acct for Exclusive<br>Benefit of Cust of MSSB<br>1 New York Plz, FL 12<br>New York, NY 10004-1965 | 10.33% |
| Brown Advisory Tax-Exempt Sustainable Bond Fund Investor Shares | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 42.93% |
| | Washinco<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 42.62% |
| | Morgan Stanley Smith Barney LLC<br>Special Custody Acct for Exclusive<br>Benefit of Cust of MSSB<br>1 New York Plz, FL 12<br>New York, NY 10004-1965 | 8.13% |
| Brown Advisory Mortgage Securities Fund Institutional Shares | SEI Private Trust Company<br>Attn: Mutual Funds Admin<br>One Freedom Valley Drive<br>Oaks, PA 19456-9989 | 25.92% |
| | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 20.29% |
| | Saxon & Co.<br>P.O. Box 94597<br>Cleveland, OH 44101-4597 | 14.26% |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 12.82% |
| | Pershing LLC<br>1 Pershing Plz FL 14<br>Jersey City NJ 07399-2052 | 9.74% |

| Fund | Shareholder and Address | Percentage of Class Owned |
|---|---|---|
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 6.21% |
| | Capinco<br>c/o U.S. Bank, NA<br>1555 RiverCenter DR. Ste 302<br>Milwaukee, WI 53212-3958 | 5.71% |
| Brown Advisory Mortgage Securities Fund Investor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 75.39% |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 19.56% |
| Brown Advisory - WMC Strategic European Equity Fund Investor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 47.89% |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 20.91% |
| | LPL Financial LLC<br>FBO Customer Accounts<br>Attn Mutual Funds Operations<br>4707 Executive Dr<br>San Diego, CA 92121-3091 | 12.90% |
| | Morgan Stanley Smith Barney LLC<br>Special Custody Acct for Exclusive Benefit of Cust of MSSB<br>1 New York Plz, FL 12<br>New York, NY 10004-1965 | 5.80% |
| Brown Advisory - WMC Strategic European Equity Fund Institutional Shareses | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 41.91% |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 22.37% |
| | JP Morgan Securities LLC<br>For the Exclusive Benefit of Customers<br>4 Chase Metrotech Center<br>3rd Floor Mutual Fund Dept<br>Brooklyn, NY 11245-0003 | 9.07% |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 7.65% |
| | Saxon & Co.<br>P.O. Box 94597<br>Cleveland, OH 44101-4597 | 5.49% |
| Brown Advisory - WMC Strategic European Equity Fund Advisor Shares | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 90.40% |

| Fund | Shareholder and Address | Percentage of Class Owned | |
|---|---|---|---|
| Brown Advisory Emerging Markets Select Fund Institutional Shares | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 37.33% | |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 26.32% | |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 13.26% | |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 5.43% | |
| | Saxon & Co.<br>P.O. Box 94597<br>Cleveland, OH 44101-4597 | 5.17% | |
| Brown Advisory Emerging Markets Select Fund Investor Shares | Henry Hopkins<br>c/o Brown Advisory LLC<br>901 South Bond St<br>Baltimore, MD 21231 | 34.85% | (1) |
| | LPL Financial LLC<br>FBO Customer Accounts<br>Attn Mutual Funds Operations<br>4707 Executive Dr<br>San Diego, CA 92121-3091 | 28.54% | |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 24.09% | |
| | SEI Private Trust Company<br>C/O M&T Bank<br>Attn Mutual Fund Adminstrator<br>1 Freedom Valley Dr<br>Oaks, PA 19456-9989 | 11.69% | |
| Brown Advisory Emerging Markets Select Fund Advisor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 60.29% | |
| | James Johannessen<br>Bellingham, WA 98229 | 16.80% | (1) |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 13.93% | |
| | Morgan Stanley Smith Barney LLC<br>Special Custody Acct For the Exclusive Benefit of Customers of MSSB<br>1 New York Plz, FL 12<br>New York, NY 10004-1965 | 6.37% | |

| Fund | Shareholder and Address | Percentage of Class Owned | |
|---|---|---|---|
| Brown Advisory - Beutel Goodman Large-Cap Value Fund Institutional Shares | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 45.70% | |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 20.89% | |
| | Band & Co.<br>c/o U.S. Bank, NA<br>1555 N Rivercenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 10.52% | |
| Brown Advisory - Beutel Goodman Large-Cap Value Fund Investor Shares | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 82.44% | |
| | Mailcode Bdin, Attn: MF<br>Reliance Trust Company WI<br>Maril & Co<br>4900 W. Brown Deer Rd<br>Milwaukee, WI 53223-2422 | 9.06% | |
| Brown Advisory - WMC Japan Equity Fund- Institutional Shares | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 55.88% | |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 32.69% | |
| Brown Advisory - WMC Japan Equity Fund- Investor Shares | Katsuhiro Iwai<br>Setagaya-Ku, Japan 158009621231 | 46.88% | (1) |
| | Charles Schwab & Co., Inc.<br>Special Custody A/C FBO Customers<br>Attn: Mutual Funds<br>211 Main St<br>San Francisco, CA 94105-1901 | 43.69% | |
| | National Financial Services LLC<br>499 Washington, Blvd FL 4<br>New Jersey, NJ 07310-2010 | 4.83% | |
| | Washington & Co.<br>c/o U.S. Bank, NA<br>1555 RiverCenter Dr. Ste 302<br>Milwaukee, WI 53212-3958 | 4.59% | |

(1) Indicates beneficial ownership.

**Proxy Voting Procedures**

The Board has adopted Proxy Voting Policies and Procedures (the "Trust Proxy Voting Policies") on behalf of the Trust which delegate the responsibility for voting proxies to the Adviser or Sub-Advisers, as applicable, subject to the Board's continuing oversight. The Trust Proxy Voting Policies require that the Adviser and the Sub-Advisers vote proxies received in a manner consistent with the best interests of the Funds and their shareholders. The Adviser has adopted its own separate Proxy Voting Policies and Procedures (the "Adviser's Proxy Voting Policies") and each of the Sub-Advisers have adopted their own respective Proxy Voting Policies and Procedures (the "Sub-

Adviser Proxy Voting Policies"), and copies of the Adviser's Proxy Voting Policies and copies of the Sub-Adviser Proxy Voting Policies are attached hereto in Appendix B to this SAI.

The Adviser and each of the Sub-Advisers recognize that under certain circumstances they may have a conflict of interest in voting proxies on behalf of the Funds. A "conflict of interest," means any circumstance when the Adviser or the applicable Sub-Adviser (including their respective officers, directors, agents and employees) knowingly does business with, receives compensation from, or sits on the board of, a particular issuer or closely affiliated entity, and, therefore, may appear to have a conflict of interest between its own interests and the interests of the Funds and their shareholders in how proxies of that particular issuer are voted. The Adviser and each of the Sub-Advisers will comply with the Trust Proxy Voting Procedures as they relate to the resolution of conflicts of interest with respect to voting shares of the Funds.

The Trust will file a Form N-PX containing each Fund's complete proxy voting record for the 12-months ended June 30, no later than August 31st of each year. Form N-PX for the Funds will be available without charge, upon request, by calling (800) 540-6807 (toll free) or (414) 203-9064 and also on the SEC's website at www.sec.gov.

**Code of Ethics**

The Trust, the Adviser, the Sub-Advisers and the Distributor have each adopted a code of ethics under Rule 17j-1 of the 1940 Act which are designed to eliminate conflicts of interest between the Funds and personnel of the Trust, the Adviser, the Sub-Advisers and the Distributor. The codes permit such personnel to invest in securities, including securities that may be purchased or held by the Funds, subject to certain limitations.

**Registration Statement**

This SAI and the Prospectus do not contain all the information included in the Trust's registration statement filed with the SEC under the 1933 Act with respect to the securities offered hereby. The registration statement, including the exhibits filed therewith, are available on the SEC's website at www.sec.gov.

Statements contained herein and in the Prospectus as to the contents of any contract or other documents are not necessarily complete, and, in each instance, are qualified by, reference to the copy of such contract or other documents filed as exhibits to the registration statement.

**Capital Stock**

The Declaration of Trust authorizes the Board of Trustees to issue an unlimited number of shares, which are shares of beneficial interest. The Trust's Declaration of Trust authorizes the Board of Trustees to divide or redivide any unissued shares of the Trust into one or more additional series by setting or changing in any one or more respects their respective preferences, conversion or other rights, voting power, restrictions, limitations as to dividends, qualifications, and terms and conditions of redemption, and to establish separate classes of shares. Shares have no subscription or preemptive rights and only such conversion or exchange rights as the Board of Trustees may grant in its discretion. When issued for payment as described in the Prospectus and this SAI, the shares will be fully paid and non-assessable.

The Board of Trustees has authorized three separate classes of shares for each Fund - Institutional Shares, Investor Shares and Advisor Shares. The shares of each class of the Fund represent an interest in the same portfolio of investments of the Fund. Some classes may currently not be available for sale by a Fund.

With respect to voting rights of shareholders, each share outstanding entitles the holder to one vote. On certain issues, such as the election of Trustees, all shares of the Trust vote together. The shareholders of a Fund, however, would vote separately on issues affecting only that Fund, such as the approval of a change in a fundamental investment restriction for the Fund. Also, the shareholders of a particular class will vote separately on issues affecting only that particular class.

With respect to dividend rights, the shareholders of each class of a Fund are entitled to receive dividends or other distributions declared by the Fund for each such class. No shares of the Funds have priority or preference over any other shares of the Funds with respect to distributions. Distributions will be made from the assets of a Fund and will be paid pro rata to all shareholders of a particular class according to the number of shares of the class held by shareholders on the record date. The amount of dividends per share may vary between separate share classes of a Fund based upon differences in the net asset values of the different classes and differences in the way that expenses are allocated between share classes pursuant to a multiple class plan approved by the Funds' Board of Trustees.

**Financial Statements**

The Form N-CSR filed with the SEC (for the Funds other than the Brown Advisory Emerging Markets Select Fund) and the Form N-CSR (for the Brown Advisory Emerging Markets Select Fund), each for the fiscal year ended June 30, 2025 are separate documents supplied with this SAI and the financial statements, accompanying notes and reports of independent registered public accounting firm appearing therein are incorporated by reference in this SAI.

Copies of the Form N-CSR filed with the SEC may be obtained, without charge, upon request by contacting U.S. Bank Global Fund Services at the address or telephone number listed on the cover of this SAI. Copies of the annual report to Shareholders may be obtained, without charge, upon request by contacting U.S. Bank Global Fund Services at the address or telephone number listed on the cover of this SAI.

# APPENDIX A – DESCRIPTION OF SECURITIES RATINGS

## Short-Term Credit Ratings

An ***S&P Global Ratings*** short-term issue credit rating is generally assigned to those obligations considered short-term in the relevant market. The following summarizes the rating categories used by S&P Global Ratings for short-term issues:

"A-1" – A short-term obligation rated "A-1" is rated in the highest category by S&P Global Ratings. The obligor's capacity to meet its financial commitments on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.

"A-2" – A short-term obligation rated "A-2" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitments on the obligation is satisfactory.

"A-3" – A short-term obligation rated "A-3" exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken an obligor's capacity to meet its financial commitments on the obligation.

"B" – A short-term obligation rated "B" is regarded as vulnerable and has significant speculative characteristics. The obligor currently has the capacity to meet its financial commitments; however, it faces major ongoing uncertainties that could lead to the obligor's inadequate capacity to meet its financial commitments.

"C" – A short-term obligation rated "C" is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitments on the obligation.

"D" – A short-term obligation rated "D" is in default or in breach of an imputed promise. For non-hybrid capital instruments, the "D" rating category is used when payments on an obligation are not made on the date due, unless S&P Global Ratings believes that such payments will be made within any stated grace period. However, any stated grace period longer than five business days will be treated as five business days. The "D" rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. A rating on an obligation is lowered to "D" if it is subject to a distressed debt restructuring.

Local Currency and Foreign Currency Ratings – S&P Global Ratings' issuer credit ratings make a distinction between foreign currency ratings and local currency ratings. A foreign currency rating on an issuer can differ from the local currency rating on it when the obligor has a different capacity to meet its obligations denominated in its local currency, versus obligations denominated in a foreign currency.

"NR" – This indicates that a rating has not been assigned or is no longer assigned.

***Moody's Investors Service ("Moody's")*** short-term ratings are forward-looking opinions of the relative credit risks of financial obligations with an original maturity of thirteen months or less and reflect both on the likelihood of a default or impairment on contractual financial obligations and the expected financial loss suffered in the event of default or impairment.

Moody's employs the following designations to indicate the relative repayment ability of rated issuers:

"P-1" – Issuers (or supporting institutions) rated Prime-1 reflect a superior ability to repay short-term obligations.

"P-2" – Issuers (or supporting institutions) rated Prime-2 reflect a strong ability to repay short-term obligations.

"P-3" – Issuers (or supporting institutions) rated Prime-3 reflect an acceptable ability to repay short-term obligations.

"NP" – Issuers (or supporting institutions) rated Not Prime do not fall within any of the Prime rating categories.

"NR" – Is assigned to an unrated issuer, obligation and/or program.

***Fitch, Inc. / Fitch Ratings Ltd. ("Fitch")*** short-term issuer or obligation rating is based in all cases on the short-term vulnerability to default of the rated entity and relates to the capacity to meet financial obligations in accordance with the documentation governing the relevant obligation. Short-term deposit ratings may be adjusted for loss severity. Short-term ratings are assigned to obligations whose initial maturity is viewed as "short-term" based on market convention.[1] Typically, this means up to 13 months for corporate, sovereign, and structured obligations and up to 36 months for obligations in U.S. public finance markets. The following summarizes the rating categories used by Fitch for short-term obligations:

[1] A long-term rating can also be used to rate an issue with short maturity.

"F1" – Securities possess the highest short-term credit quality. This designation indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.

"F2" – Securities possess good short-term credit quality. This designation indicates good intrinsic capacity for timely payment of financial commitments.

"F3" – Securities possess fair short-term credit quality. This designation indicates that the intrinsic capacity for timely payment of financial commitments is adequate.

"B" – Securities possess speculative short-term credit quality. This designation indicates minimal capacity for timely payment of financial commitments, plus heightened vulnerability to near term adverse changes in financial and economic conditions.

"C" – Securities possess high short-term default risk. Default is a real possibility.

"RD" – Restricted default. Indicates an entity that has defaulted on one or more of its financial commitments, although it continues to meet other financial obligations. Typically applicable to entity ratings only.

"D" – Default. Indicates a broad-based default event for an entity, or the default of a short-term obligation.

"NR" – Is assigned to an issue of a rated issuer that are not and have not been rated.

The ***DBRS Morningstar® Ratings Limited ("DBRS Morningstar")*** short-term obligation ratings provide DBRS Morningstar's opinion on the risk that an issuer will not meet its short-term financial obligations in a timely manner. The obligations rated in this category typically have a term of shorter than one year. The R-1 and R-2 rating categories are further denoted by the subcategories "(high)", "(middle)", and "(low)".

The following summarizes the ratings used by DBRS Morningstar for commercial paper and short-term debt:

"R-1 (high)" - Short-term debt rated "R-1 (high)" is of the highest credit quality. The capacity for the payment of short-term financial obligations as they fall due is exceptionally high. Unlikely to be adversely affected by future events.

"R-1 (middle)" – Short-term debt rated "R-1 (middle)" is of superior credit quality. The capacity for the payment of short-term financial obligations as they fall due is very high. Differs from "R-1 (high)" by a relatively modest degree. Unlikely to be significantly vulnerable to future events.

"R-1 (low)" – Short-term debt rated "R-1 (low)" is of good credit quality. The capacity for the payment of short-term financial obligations as they fall due is substantial. Overall strength is not as favorable as higher rating categories. May be vulnerable to future events, but qualifying negative factors are considered manageable.

"R-2 (high)" – Short-term debt rated "R-2 (high)" is considered to be at the upper end of adequate credit quality. The capacity for the payment of short-term financial obligations as they fall due is acceptable. May be vulnerable to future events.

"R-2 (middle)" – Short-term debt rated "R-2 (middle)" is considered to be of adequate credit quality. The capacity for the payment of short-term financial obligations as they fall due is acceptable. May be vulnerable to future events or may be exposed to other factors that could reduce credit quality.

"R-2 (low)" – Short-term debt rated "R-2 (low)" is considered to be at the lower end of adequate credit quality. The capacity for the payment of short-term financial obligations as they fall due is acceptable. May be vulnerable to future events. A number of challenges are present that could affect the issuer's ability to meet such obligations.

"R-3" – Short-term debt rated "R-3" is considered to be at the lowest end of adequate credit quality. There is a capacity for the payment of short-term financial obligations as they fall due. May be vulnerable to future events, and the certainty of meeting such obligations could be impacted by a variety of developments.

"R-4" – Short-term debt rated "R-4" is considered to be of speculative credit quality. The capacity for the payment of short-term financial obligations as they fall due is uncertain.

"R-5" – Short-term debt rated "R-5" is considered to be of highly speculative credit quality. There is a high level of uncertainty as to the capacity to meet short-term financial obligations as they fall due.

"D" – A downgrade to "D" may occur when the issuer has filed under any applicable bankruptcy, insolvency or winding-up statute, or there is a failure to satisfy an obligation after the exhaustion of grace periods. DBRS Morningstar may also use "SD" (Selective Default) in cases where only some securities are impacted, such as the case of a "distressed exchange".

**Long-Term Issue Credit Ratings**

The following summarizes the ratings used by ***S&P Global Ratings*** for long-term issues:

"AAA" – An obligation rated "AAA" has the highest rating assigned by S&P Global Ratings. The obligor's capacity to meet its financial commitments on the obligation is extremely strong.

"AA" – An obligation rated "AA" differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitments on the obligation is very strong.

"A" – An obligation rated "A" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitments on the obligation is still strong.

"BBB" – An obligation rated "BBB" exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation.

"BB," "B," "CCC," "CC" and "C" – Obligations rated "BB," "B," "CCC," "CC" and "C" are regarded as having significant speculative characteristics. "BB" indicates the least degree of speculation and "C" the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposure to adverse conditions.

"BB" – An obligation rated "BB" is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions that could lead to the obligor's inadequate capacity to meet its financial commitments on the obligation.

"B" – An obligation rated "B" is more vulnerable to nonpayment than obligations rated "BB", but the obligor currently has the capacity to meet its financial commitments on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitments on the obligation.

"CCC" – An obligation rated "CCC" is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitments on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitments on the obligation.

"CC" – An obligation rated "CC" is currently highly vulnerable to nonpayment. The "CC" rating is used when a default has not yet occurred but S&P Global Ratings expects default to be a virtual certainty, regardless of the anticipated time to default.

"C" – An obligation rated "C" is currently highly vulnerable to nonpayment, and the obligation is expected to have lower relative seniority or lower ultimate recovery compared with obligations that are rated higher.

"D" – An obligation rated "D" is in default or in breach of an imputed promise. For non-hybrid capital instruments, the "D" rating category is used when payments on an obligation are not made on the date due, unless S&P Global Ratings believes that such payments will be made within the next five business days in the absence of a stated grace period or within the earlier of the stated grace period or the next 30 calendar days. The "D" rating also will be used upon the filing of a bankruptcy petition or the taking of similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. A rating on an obligation is lowered to "D" if it is subject to a distressed debt restructuring

Plus (+) or minus (-) – Ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.

"NR" – This indicates that a rating has not been assigned, or is no longer assigned.

Local Currency and Foreign Currency Ratings - S&P Global Ratings' issuer credit ratings make a distinction between foreign currency ratings and local currency ratings. A foreign currency rating on an issuer can differ from the local currency rating on it when the obligor has a different capacity to meet its obligations denominated in its local currency, versus obligations denominated in a foreign currency.

***Moody's*** long-term ratings are forward-looking opinions of the relative credit risks of financial obligations with an original maturity of eleven months or more. Such ratings reflect both on the likelihood of default or impairment on contractual financial obligations and the expected financial loss suffered in the event of default or impairment. The following summarizes the ratings used by Moody's for long-term debt:

"Aaa" – Obligations rated "Aaa" are judged to be of the highest quality, subject to the lowest level of credit risk.

"Aa" – Obligations rated "Aa" are judged to be of high quality and are subject to very low credit risk.

"A" – Obligations rated "A" are judged to be upper-medium grade and are subject to low credit risk.

"Baa" – Obligations rated "Baa" are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

"Ba" – Obligations rated "Ba" are judged to be speculative and are subject to substantial credit risk.

"B" – Obligations rated "B" are considered speculative and are subject to high credit risk.

"Caa" – Obligations rated "Caa" are judged to be speculative of poor standing and are subject to very high credit risk.

"Ca" – Obligations rated "Ca" are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.

"C" – Obligations rated "C" are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from "Aa" through "Caa." The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

"NR" – Is assigned to unrated obligations, obligation and/or program.

The following summarizes long-term ratings used by ***Fitch***:

"AAA" – Securities considered to be of the highest credit quality. "AAA" ratings denote the lowest expectation of credit risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

"AA" – Securities considered to be of very high credit quality. "AA" ratings denote expectations of very low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

"A" – Securities considered to be of high credit quality. "A" ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

"BBB" – Securities considered to be of good credit quality. "BBB" ratings indicate that expectations of credit risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

"BB" – Securities considered to be speculative. "BB" ratings indicates an elevated vulnerability to credit risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial alternatives may be available to allow financial commitments to be met.

"B" – Securities considered to be highly speculative. "B" ratings indicate that material credit risk is present

"CCC" – A "CCC" rating indicates that substantial credit risk is present.

"CC" – A "CC" rating indicates very high levels of credit risk.

"C" – A "C" rating indicates exceptionally high levels of credit risk.

Defaulted obligations typically are not assigned "RD" or "D" ratings but are instead rated in the "CCC" to "C" rating categories, depending on their recovery prospects and other relevant characteristics. Fitch believes that this approach better aligns obligations that have comparable overall expected loss but varying vulnerability to default and loss.

Plus (+) or minus (-) may be appended to a rating to denote relative status within major rating categories. Such suffixes are not added to the "AAA" obligation rating category, or to corporate finance obligation ratings in the categories below "CCC".

"NR" – Is assigned to an unrated issue of a rated issuer.

The ***DBRS*** Morningstar long-term obligation ratings provide DBRS Morningstar's opinion on the risk that investors may not be repaid in accordance with the terms under which the long-term obligation was issued. The obligations rated in this

category typically have a term of one year or longer. All rating categories from AA to CCC contain subcategories "(high)" and "(low)". The absence of either a "(high)" or "(low)" designation indicates the rating is in the middle of the category. The following summarizes the ratings used by DBRS Morningstar for long-term debt:

"AAA" – Long-term debt rated "AAA" is of the highest credit quality. The capacity for the payment of financial obligations is exceptionally high and unlikely to be adversely affected by future events.

"AA" – Long-term debt rated "AA" is of superior credit quality. The capacity for the payment of financial obligations is considered high. Credit quality differs from "AAA" only to a small degree. Unlikely to be significantly vulnerable to future events.

"A" – Long-term debt rated "A" is of good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than "AA." May be vulnerable to future events, but qualifying negative factors are considered manageable.

"BBB" – Long-term debt rated "BBB" is of adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.

"BB" – Long-term debt rated "BB" is of speculative, non-investment grade credit quality. The capacity for the payment of financial obligations is uncertain. Vulnerable to future events.

"B" – Long-term debt rated "B" is of highly speculative credit quality. There is a high level of uncertainty as to the capacity to meet financial obligations.

"CCC", "CC" and "C" – Long-term debt rated in any of these categories is of very highly speculative credit quality. In danger of defaulting on financial obligations. There is little difference between these three categories, although "CC" and "C" ratings are normally applied to obligations that are seen as highly likely to default or subordinated to obligations rated in the "CCC" to "B" range. Obligations in respect of which default has not technically taken place but is considered inevitable may be rated in the "C" category.

"D" – A downgrade to "D" may occur when the issuer has filed under any applicable bankruptcy, insolvency or winding up statute or there is a failure to satisfy an obligation after the exhaustion of grace periods. DBRS Morningstar may also use "SD" (Selective Default) in cases where only some securities are impacted, such as the case of a "distressed exchange".

**Municipal Note Ratings**

An ***S&P Global Ratings*** U.S. municipal note rating reflects S&P Global Ratings' opinion about the liquidity factors and market access risks unique to the notes. Notes due in three years or less will likely receive a note rating. Notes with an original maturity of more than three years will most likely receive a long-term debt rating. In determining which type of rating, if any, to assign, S&P Global Ratings' analysis will review the following considerations:

h Amortization schedule - the larger the final maturity relative to other maturities, the more likely it will be treated as a note; and

h Source of payment - the more dependent the issue is on the market for its refinancing, the more likely it will be treated as a note.

Municipal Short-Term Note rating symbols are as follows:

"SP-1" – A municipal note rated "SP-1" exhibits a strong capacity to pay principal and interest. An issue determined to possess a very strong capacity to pay debt service is given a plus (+) designation.

"SP-2" – A municipal note rated "SP-2" exhibits a satisfactory capacity to pay principal and interest, with some vulnerability to adverse financial and economic changes over the term of the notes.

"SP-3" – A municipal note rated "SP-3" exhibits a speculative capacity to pay principal and interest.

"D" – This rating is assigned upon failure to pay the note when due, completion of a distressed debt restructuring, or the filing of a bankruptcy petition or the taking of similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions.

***Moody's*** uses the global short-term Prime rating scale (listed above under Short-Term Credit Ratings) for commercial paper issued by U.S. municipalities and nonprofits. These commercial paper programs may be backed by external letters of credit or liquidity facilities, or by an issuer's self-liquidity.

For other short-term municipal obligations, Moody's uses one of two other short-term rating scales, the Municipal Investment Grade ("MIG") and Variable Municipal Investment Grade ("VMIG") scales provided below.

Moody's uses the MIG scale for U.S. municipal cash flow notes, bond anticipation notes and certain other short-term obligations, which typically mature in three years or less.

MIG Scale

"MIG-1" – This designation denotes superior credit quality. Excellent protection is afforded by established cash flows, highly reliable liquidity support, or demonstrated broad-based access to the market for refinancing.

"MIG-2" – This designation denotes strong credit quality. Margins of protection are ample, although not as large as in the preceding group.

"MIG-3" – This designation denotes acceptable credit quality. Liquidity and cash-flow protection may be narrow, and market access for refinancing is likely to be less well-established.

"SG" – This designation denotes speculative-grade credit quality. Debt instruments in this category may lack sufficient margins of protection.

"NR" – Is assigned to an unrated obligation, obligation and/or program.

In the case of variable rate demand obligations ("VRDOs"), Moody's assigns both a long-term rating and a short-term payment obligation rating. The long-term rating addresses the issuer's ability to meet scheduled principal and interest payments. The short-term payment obligation rating addresses the ability of the issuer or the liquidity provider to meet any purchase price payment obligation resulting from optional tenders ("on demand") and/or mandatory tenders of the VRDO. The short-term payment obligation rating uses the VMIG scale. Transitions of VMIG ratings with conditional liquidity support differ from transitions of Prime ratings reflecting the risk that external liquidity support will terminate if the issuer's long-term rating drops below investment grade.

Moody's typically assigns the VMIG rating if the frequency of the payment obligation is less than every three years. If the frequency of the payment obligation is less than three years but the obligation is payable only with remarketing proceeds, the VMIG short-term rating is not assigned and it is denoted as "NR".

"VMIG-1" – This designation denotes superior credit quality. Excellent protection is afforded by the superior short-term credit strength of the liquidity provider and structural and legal protections.

"VMIG-2" – This designation denotes strong credit quality. Good protection is afforded by the strong short-term credit strength of the liquidity provider and structural and legal protections.

"VMIG-3" – This designation denotes acceptable credit quality. Adequate protection is afforded by the satisfactory short-term credit strength of the liquidity provider and structural and legal protections.

"SG" – This designation denotes speculative-grade credit quality. Demand features rated in this category may be supported by a liquidity provider that does not have a sufficiently strong short-term rating or may lack the structural and/or legal protections.

"NR" – Is assigned to an unrated obligation, obligation and/or program.

**About Credit Ratings**

An ***S&P Global Ratings*** issue credit rating is a forward-looking opinion about the creditworthiness of an obligor with respect to a specific financial obligation, a specific class of financial obligations, or a specific financial program (including ratings on medium-term note programs and commercial paper programs). It takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated. The opinion reflects S&P Global Ratings' view of the obligor's capacity and willingness to meet its financial commitments as they come due, and this opinion may assess terms, such as collateral security and subordination, which could affect ultimate payment in the event of default.

Ratings assigned on ***Moody's*** global long-term and short-term rating scales are forward-looking opinions of the relative credit risks of financial obligations issued by non-financial corporates, financial institutions, structured finance vehicles, project finance vehicles, and public sector entities.

***Fitch's*** credit ratings are forward-looking opinions on the relative ability of an entity or obligation to meet financial commitments. Issuer Default Ratings (IDRs) are assigned to corporations, sovereign entities, financial institutions such as banks, leasing companies and insurers, and public finance entities (local and regional governments). Issue-level ratings are also assigned

and often include an expectation of recovery, which may be notched above or below the issuer-level rating. Issue ratings are assigned to secured and unsecured debt securities, loans, preferred stock and other instruments. Credit ratings are indications of the likelihood of repayment in accordance with the terms of the issuance. In limited cases, Fitch may include additional considerations (i.e., rate to a higher or lower standard than that implied in the obligation's documentation).

***DBRS Morningstar*** offers independent, transparent, and innovative credit analysis to the market. Credit ratings are forward-looking opinions about credit risk that reflect the creditworthiness of an issuer, rated entity, security and/or obligation based on DBRS Morningstar's quantitative and qualitative analysis in accordance with applicable methodologies and criteria. They are meant to provide opinions on relative measures of risk and are not based on expectations of, or meant to predict, any specific default probability. Credit ratings are not statements of fact. DBRS Morningstar issues credit ratings using one or more categories, such as public, private, provisional, final(ized), solicited, or unsolicited. From time to time, credit ratings may also be subject to trends, placed under review, or discontinued. DBRS Morningstar credit ratings are determined by credit rating committees.

# APPENDIX B – PROXY VOTING POLICIES

## BROWN ADVISORY LLC AND BROWN ADVISORY LIMITED
## PROXY VOTING POLICY ON SECURITIES

Brown Advisory (hereafter 'the Firm') considers proxy voting to be an important part of executing our responsibilities to our clients. When clients designate voting authority to the Firm, we seek to vote proxies in line with our fiduciary duty. Overall, the Firm aims to vote in favor of proposals that we believe will maximize shareholder value over time.

This policy contains the considerations and preferences that guide our proxy voting on securities—including differences between our process for institutional strategies and for advisory clients—followed by our general Proxy Voting Guidelines, developed in consultation with Institutional Shareholder Services Inc. (ISS).

This Policy is designed to ensure that the Firm votes proxies in the best interest of clients, so as to promote the long-term economic value of the underlying securities. These votes are informed by the consideration of any material and applicable information.

**Governance and Oversight**

Proxy voting is overseen by a Proxy Voting Committee consisting of colleagues from teams around the Firm including equity research, legal and compliance, sustainable investing, client service and operations. The Proxy Voting Committee is responsible for approving any changes to the Proxy Voting Policy. The Proxy Voting Policy is reviewed on at least an annual basis.

**Proxy Advisory Services**

To facilitate the proxy voting process, the Firm has engaged Institutional Shareholder Services Inc. ("ISS"), an unaffiliated, third-party proxy voting service, to provide proxy research and voting recommendations. In addition, the Firm subscribes to ISS's proxy vote management system, which provides a means to receive and vote proxies, as well as services for record-keeping, auditing, reporting and disclosure regarding votes. However, securities held within institutional equity strategies are voted on a case-by-case basis, meaning, we do not rely exclusively on the proxy policy, and complement our proxy provider's research with our own in-house research to arrive at independent decisions, when needed. The Firm will regularly review our relationship with ISS in order to assess its capacity and competency to provide services to the Firm and to review certain of its significant policies and procedures, including those governing conflicts of interests, error identification and correction and processes to evaluate additional information received during the proxy process.

**Voting Responsibilities**

With respect to securities held in our institutional equity strategies, determining how a vote will be cast begins with our research analysts and, ultimately, rests with the portfolio managers for each Brown Advisory strategy. While we use the recommendations of ISS as a baseline for our voting, especially for routine management proposals, we vote each proposal after consideration on a case-by-case basis.

**Client Specific Guidelines**

From time to time, clients may prefer to elect alternative voting guidelines. In cases where a client desires to elect alternative voting guidelines, the Firm will work with the client and ISS to identify appropriate alternative voting guidelines. Where no appropriate pre-defined alternative guidelines are available, the Firm will endeavor to work with the client to define and set up guidelines to vote proxies on a case-by-case basis. If pre- defined alternative ISS policy guidelines are selected that the Firm has not previously implemented, members of the Firm's proxy voting committee will review the policy and determine whether it may be offered to a broader array of clients as part of the on-boarding process. The Firm may recommend a departure from specific aspects of the selected policy's guidelines when it deems such a departure to be in the client's best interest.

**Institutional Proxy Voting Process**

Proxy voting for our equity strategies that are marketed to the Firm's institutional clients is overseen by a Proxy Voting Committee consisting of colleagues from teams around the Firm including equity research, legal and compliance, sustainable investing and operations.

The Committee is responsible for overseeing the proxy voting process. Determining how a vote will be cast begins with the research analysts and, ultimately, rests with the portfolio managers for each Brown Advisory equity investment strategy. While we use the recommendations generated based on the guidelines contained in this document as a baseline for our voting, especially for routine management proposals, we vote each proposal after consideration on a case-by-case basis.

**For more detail on our Institutional Proxy Voting process, please see pp. 4-5 of this document.**

**Advisory Client Proxy Voting Process**

Proxy voting for our Advisory clients (meaning clients for whom we manage customized accounts in a discretionary relationship according to their goals) is facilitated and monitored by our Proxy Voting Operations team. The team is responsible for arrangements with all custodial partners to have accounts set to electronic omnibus ballot distribution to our proxy voting agency, ISS. When omnibus ballot distribution is not supported, individualized account set up and distribution will be arranged.

Unless otherwise agreed with a client, Brown Advisory's Proxy Voting Policy is assigned by default to our Advisory client accounts. This means that decisions made through the execution of the Institutional Proxy Voting process (including votes against policy) will also be reflected in the voting activity for Advisory Clients.

**For more detail on our Advisory Client Proxy Voting process, please see pp. 5 of this document.**

**Impediments to Vote Execution**

In recognition of its fiduciary obligations, the Firm generally endeavors to vote the proxies it receives. However, the Firm may abstain from voting proxies or allow for votes to be executed in line with the policy before full review is completed in certain circumstances. For example, the Firm may determine that abstaining from voting is appropriate if voting is not in the best interest of the client. In addition to abstentions due to material conflicts of interest, situations in which we would not vote proxies might include:

- Circumstances where the cost of voting the proxy exceeds the expected benefits to the client.
- Circumstances where there are significant impediments to an efficient voting process, including with respect to non-US issuers where the vote requires translations or other burdensome conditions.
- Circumstances where the vote would not reasonably be expected to have a material effect on the value of the client's investment.
- Circumstances where custodial procedural requirements are overly burdensome.

**Reporting and Transparency**

Brown Advisory publishes proxy voting activity for our internally managed mutual funds on its website and provides reporting to clients as required or requested.

## BROWN ADVISORY PROXY VOTING POLICY ON SECURITIES

Proxy Voting Principles for Securities Held within our Institutional Strategies

The following principles serve as a foundation of our approach to proxy voting for securities held within our institutionally marketed equity strategies. For these securities, Brown Advisory's equity research team has researched the company and generally is well-informed of any issues that are material to the company's business model and practices. As such, we believe we are in a position to engage with companies on these issues both through proxy voting and other engagement practices.

- **Proxy voting is our fiduciary duty.** We hold ourselves responsible for aligning our investment decision-making process and our proxy voting, in order to be consistent about what we seek from companies we hold in our institutional portfolios. We seek investments that are building and protecting long-term shareholder value, and we align all proxy voting activity with this goal. Responsible management of sustainability issues may be one input to achieving long-term shareholder value, and as such, we may support those shareholder proposals that encourage company action on what we believe are material risks or opportunities. However, no goal – sustainability-related or otherwise – will supplant the goal of seeking long-term financial performance.
- **Transparency is essential.** Brown Advisory is committed to providing proxy reporting and standardized disclosure of our voting history, as well as publishing N-PX filings as required by law. Transparency is an important step in helping our clients evaluate whether we uphold our stated principles.
- **Bottom-up due diligence should inform voting decisions.** We seek to review each proposal that comes up for vote. Our analysts seek to dive below the surface and fully understand the implications of especially complex and material proposals. The recommended votes generated based on Brown Advisory's proxy voting guidelines are taken into consideration, but do not determine our final decisions.
- **Proxy voting can be a part of a larger program to encourage better management risks and opportunities that may affect the investment return.** Proxy voting is one way to communicate with companies on risks and opportunities that may present a challenge or present an opportunity for a business, and in turn its investment returns. To complement our proxy voting process, and sometimes as result of it, our investment team might choose to pursue an extended engagement with a company as it relates to any information found during the due-diligence process for determining the vote.

Institutional Proxy Voting Process

Members of the Firm's equity research team receive weekly notification of all upcoming meetings taking place at companies in their coverage. Fundamental research analysts guide vote recommendations on management proposals, and sustainable investment research analysts guide vote recommendations on shareholder proposals, with both groups working together to think through the relevant issues. Final vote decisions ultimately are made by the portfolio manager.

Proposals may require additional due diligence and benefit from collaborative investigation, and this is determined on a case-by-case basis. Where necessary, our analysts will conduct research on each proposal, which may include information contained in public filings, policy recommendations and management conversations. To enhance our analysis, we may collaborate with our internal and external networks, the resolution filer and/ or associated coalition, ISS analysts about their recommendation, the company itself and relevant industry experts. If our additional due diligence uncovers factual errors, incompleteness or inaccuracies in the information ISS uses to generate a vote recommendation, the Firm will seek to bring this to the attention of ISS.

In cases where the final voting recommendation is in line with our Proxy Voting Policy, the vote is cast automatically. When our recommendation diverges from the Policy the responsible analyst will contact the portfolio managers who own the company and who have final decision-making power to share their rationale. In most cases, the portfolio managers agree with the analyst's recommendation, in rare cases they may overrule. In either case, the final recommendation is provided to Brown Advisory's operations team, which documents the rationale for the vote and ensures vote execution. All votes cast against policy require approval from the Firm's General Counsel or designee.

In the event that portfolio managers of different strategies disagree on the vote recommendation for a company they all own, a split vote may be conducted. In general, this disagreement is due to portfolio managers having unique views on an issue. When a split vote occurs, the Fund and representative accounts associated with each strategy are voted in line with the portfolio manager's instruction. All other shares of the company held by Brown Advisory are split in a manner that is proportionate to the relative number of shares held across each institutional strategy. Split votes must be approved by the Firm's General Counsel or designee.

Advisory Client Voting Process

Proxy voting for our Advisory clients is facilitated and monitored by our Proxy Voting Operations team. The team is responsible for arrangements with all custodial partners to have accounts set to electronic omnibus ballot distribution to our proxy voting agency, ISS. When omnibus ballot distribution is not supported, individualized account set up and distribution will be arranged. Unless otherwise agreed with a client, Brown Advisory's Proxy Voting Policy is assigned by default to our Advisory client accounts.

The following exceptions can apply to standard voting for Advisory clients:

- *Client Directed*: A client will always retain her or his authority to request verbally and confirm in writing their request to:
    - Attend a meeting and vote
    - Vote in line with account owner request
    - Request a take no action or abstention
- *No Voting*: A client, during on-boarding, will have the ability to request accounts to be set to have voting ballots mailed directly to the account owner's address.
- *Holdings in Funds*: All holdings owned by our Advisory client base also held in our fund complexes are overseen and governed by the voting practices detailed in the Institutional section.
- *Client-specific Guidelines*: Whereas we have a standard policy default, we have the capability to provide our Advisory clients with the option to customize their voting preferences. Should a client desire a customized approach, the Brown Advisory client team will work directly with the client, Brown Advisory Operations, and ISS to establish and implement client-specific guidelines.
- *No ISS Recommendations:* If a client is invested in a company where ISS will not be supplying voting recommendations (e.g., privately held companies), the analyst covering the company will supply voting recommendations. Should the company not be covered internally, the client's portfolio manager will be notified and asked to instruct the vote.

The following voting practices are applied to separately managed portfolios:

- *Brown Advisory institutional strategies held in a separately managed account (SMA)*: Holdings within Brown Advisory SMAs are overseen and governed by the Proxy Voting Committee and follow all protocols detailed in the Institutional section.

- *Externally managed strategies held in a SMA*: Holdings within an externally managed strategy held as a SMA are set up with the delegated and/or appointed manager for voting. In other terms, Brown Advisory yields voting authority to the appointed manager.

GENERAL POSITIONS

Below is a summary of Brown Advisory's general positions for voting on common proxy questions when Brown Advisory is authorized to vote shares at its discretion rather than by a client's specific guidelines. Given the dynamic and wide-ranging nature of corporate governance issues that may arise, this summary is not intended to be exhaustive.

Management Recommendations

Since the quality and depth of management is a primary factor considered when investing in an issuer, the recommendation of the issuer's management on any issue will be given substantial weight. Furthermore, Brown Advisory runs concentrated equity portfolios which we believe generally results in holding high quality companies that have strong and trustworthy management teams. This quality bias results in our portfolio managers generally supporting management proposals. Although proxies with respect to most issues are voted in line with the recommendation of the issuer's management, the Firm will not blindly vote in favor of management. The Firm will not support proxy proposals or positions that it believes compromise clients' best interests or that the Firm determines may be detrimental to the underlying value of client positions.

Election of Directors

Although proxies will typically be voted for a management-proposed slate of directors, the Firm may vote against (or withhold votes for) such directors if there are compelling corporate governance reasons for doing so. Some of these reasons may include where a director: attends less than 75% of board and relevant committee meetings; is the CEO of a company where a serious restatement occurred after the CEO certified the financial statements; served at a time when a poison pill was adopted without shareholder approval within the prior year; is the CFO of the company; has an interlocking directorship; has a perceived conflict of interest (or the director's immediate family member has a perceived conflict of interest); or serves on an excessive number of boards.

The Firm seeks to support independent boards of directors comprised of members with diverse backgrounds (including gender and race), a breadth and depth of relevant experience (including sustainability), and a track record of positive, long-term performance. We believe that diverse boards, which incorporate a broad range of perspectives, lead to better investment performance. Therefore, we are committed to using our vote to support this principle. The Firm may vote against any boards that do not have the following levels of diversity (i.e. directors who are women or other underrepresented groups):

- For boards consisting of six or fewer directors, the Firm may vote against the Nominating Committee Chair where the board does not have two diverse directors by 2024.
- For boards consisting of more than six directors, the Firm may vote against the Nominating Committee Chair where the board does not have 30% diverse directors by 2024.
- In cases where the Nominating Committee Chair is not up for re-election, the Firm may vote against other board members including the Chair of the board

Separation of the roles of Chairperson and CEO is generally supported, but the Firm will not vote against a CEO who serves as chairperson or director on this basis alone. In the absence of an independent chairperson, however, the Firm generally supports the appointment of a lead director with authority to conduct sessions outside the presence of the insider chairperson.

The Firm will typically vote against any inside director seeking appointment to a key committee (audit, compensation, nominating or governance), since the Firm believes that the service of independent directors on such committees best protects and enhances the interests of shareholders. Where insufficient information is provided regarding performance metrics, or where pay is not tied to performance (e.g., where management has excessive discretion to alter performance terms or previously defined targets), the Firm will typically vote against the chair of the compensation committee.

Appointment and Rotation of Auditors

Management recommendations regarding selection of an auditor shall generally be supported, but the Firm will not support the ratification of an auditor when there appears to be a hindrance on auditor independence, intentional accounting irregularity or negligence by the auditor. Some examples include: when an auditing firm has other relationships with the company that may suggest a conflict of interest; when the auditor bears some responsibility for a restatement by the company; when a company has aggressive accounting policies or lack of transparency in financial statements; and when a company changes auditors as a result of disagreement between the company and the auditor regarding accounting principles or disclosure issues. The firm will generally support proposals for voluntary auditor rotation with reasonable frequency and/or rationale.

Changes in State of Incorporation or Capital Structure

Management recommendations about reincorporation are generally supported unless the new jurisdiction in which the issuer is reincorporating has laws that would dilute the rights of shareholders of the issuer. The Firm will generally vote against reincorporation where it believes the financial benefits are minimal and there is a decrease in shareholder rights. Shareholder proposals to change the company's place of incorporation generally will only be supported in exceptional circumstances.

Proposals to increase the number of authorized shares will be evaluated on a case-by-case basis. Because adequate capital stock is important to the operation of a company, the Firm will generally support the authorization of additional shares, unless the issuer has not disclosed a detailed plan for use of the shares, or where the number of shares far exceeds those needed to accomplish a detailed plan. Additionally, if the issuance of new shares will limit shareholder rights or could excessively dilute the value of outstanding shares, then such proposals will be supported only if they are in the best interest of the client.

Corporate Restructurings, Mergers and Acquisitions

All proposed transactions are reviewed on a case-by-case basis according to their specific merits and drawbacks. Vote recommendations are made based on the review of various factors. Factors that may be considered within the analysis include the reasonableness of the valuation, market response to the announcement of the proposed deal, the fit of the proposed transaction within the company's long-term strategy, management's track record for successful transaction implementation, changes to the governance profile of the company post transaction, and any conflicts of interest that may be present.

Proposals Affecting Shareholder Rights

The Firm generally favors proposals that are likely to promote shareholder rights and/or increase shareholder value. Proposals that seek to limit shareholder rights, such as the creation of dual classes of stock, generally will not be supported.

Anti-takeover Issues

Measures that impede takeovers or entrench management will be evaluated on a case-by-case basis, considering the rights of shareholders, since the financial interest of shareholders regarding buyout offers is so substantial.

Although the Firm generally opposes anti-takeover measures because they tend to diminish shareholder rights and reduce management accountability, the Firm generally supports proposals that allow shareholders to vote on whether to implement a "poison pill" plan (shareholder rights plan). In certain circumstances, the Firm may support a limited poison pill to accomplish a particular objective, such as the closing of an important merger, or a pill that contains a reasonable 'qualifying offer' provision. The Firm generally supports anti-greenmail proposals, which prevent companies from buying back company stock at significant premiums from a large shareholder.

Shareholder Action

The Firm generally supports proposals that allow shareholders to call special meetings, with a minimum threshold of shareholders requesting such a meeting. The Firm believes that best practice for a minimum threshold of shareholders required to call a special meeting is generally considered to be between 20-25%, however the Firm assesses this on a company-by-company basis. Proposals that allow shareholders to act by written consent are also generally supported, if there is a threshold of the minimum number of votes that would be necessary to authorize the action at a meeting at which all shareholders entitled to vote were present and voting. The Firm believes that best practice for a minimum threshold of shareholders required to act by written consent is generally considered to be between 20-25%, however the Firm assesses this on a company-by-company basis. In order to assess the appropriateness of special meeting and written consent provisions the Firm would, for example, consider the make-up of the existing investor base/ownership, to determine whether a small number of investors could easily achieve the required threshold, as well as what other mechanisms or governance provisions already exist for shareholders to access management.

Proxy Access

The Firm believes that shareholders should, under reasonable conditions, have the right to nominate directors of a company. The Firm believes that it is generally in the best interest of shareholders for companies to provide shareholders with reasonable opportunity to exercise this right, while also ensuring that short-term investors or investors without substantial investment in the company cannot abuse this right. In general, we believe that the appropriate threshold for proxy access should permit up to 20 shareholders that collectively own 3% or more of the company's outstanding shares for 3 or more years to nominate the greater of 2 directors or 20% of the board's directors, however the Firm assesses this on a case-by-case basis.

Supermajority Vote Requirements

The Firm believes that a simple majority voting requirement is generally the preferred requirement to pass a proposal. Therefore, votes against proposals to establish a supermajority vote requirement are generally in the best interest of shareholders. In circumstances where there is a substantial or dominant shareholder, supermajority voting may be protective of minority shareholder interests therefore proposals instituting these requirements may be appropriate in such circumstances. Shareholder proposals seeking to reduce an existing supermajority voting requirement are generally not supported.

Executive Compensation

Although management recommendations should be given substantial weight, proposals relating to executive compensation plans, including stock option plans and other equity-based compensation, should be examined on a case-by- case basis to ensure that the long-term interests of management and shareholders are properly aligned. This alignment includes assessing whether compensation is tied to both material sustainability and financial KPIs. Share count and voting power dilution should be limited.

The Firm generally favors the grant of restricted stock units (RSUs) to executives, since RSUs are an important component of compensation packages that link executives' compensation with their performance and that of the company. The Firm typically opposes caps on executive stock RSUs, since tying an executive's compensation to the performance of the company provides incentive to maximize share value. The Firm also supports equity grants to directors, which help align the interests of outside directors with those of shareholders, although such awards should not be performance-based, so that directors are not incentivized in the same manner as executives.

Proposals to reprice or exchange RSUs are reviewed on a case-by-case basis, but are generally opposed. The Firm generally will support a repricing only in limited circumstances, such as if the stock decline mirrors the market or industry price decline in terms of timing and magnitude and the exchange is not value destructive to shareholders.

Although matters of executive compensation should generally be left to the board's compensation committee, proposals to limit executive compensation will be evaluated on a case-by-case basis.

The Firm generally supports shareholder proposals to allow shareholders an advisory vote on compensation. Absent a compelling reason, companies should submit say-on-pay votes to shareholders every year, since such votes promote valuable communication between the board and shareholders regarding compensation. Where there is an issue involving egregious or excessive bonuses, equity awards or severance payments (including golden parachutes), the Firm will generally vote against a say-on-pay proposal. The Firm may oppose the election of compensation committee members at companies that do not satisfactorily align executive compensation with the interests of shareholders.

Sustainability-Related Proposals

Brown Advisory seeks to cast all 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.

Non-U.S. Proxy Proposals

For actively recommended issuers domiciled outside the United States, the Firm uses ISS's international proxy voting guidelines, including, in certain circumstances, country-specific guidelines to generate vote recommendations. These proposals are reviewed in the same manner as U.S. proposals, with votes against policy executed when such a vote is deemed to be in line with the promotion of shareholder value.

Conflicts of Interest

A "conflict of interest" means any circumstance when the Firm or one of its affiliates (including officers, directors and employees), or in the case where the Firm serves as investment adviser to a Brown Advisory Fund, when the Fund or the principal underwriter, or one or more of their affiliates (including officers, directors and employees), knowingly does a material amount of business with, receives material compensation from, or sits on the board of, a particular issuer or closely affiliated entity and, therefore, may appear to have a conflict of interest between its own interests and the interests of clients or Fund shareholders in how proxies of that issuer are voted. For example, a perceived conflict of interest may exist if an employee of the Firm serves as a director of an actively recommended issuer, or if the Firm is aware that a client serves as an officer or director of an actively recommended issuer. Conflicts of interest will be resolved in a manner the Firm believes is in the best interest of the client.

The firm should vote proxies relating to such issuers in accordance with the following procedures:

*Routine Matters and Immaterial Conflicts:* The Firm may vote proxies for routine matters, and for non-routine matters that are considered immaterial conflicts of interest, consistent with this Policy. A conflict of interest will be considered material to the extent that it is determined that such conflict has the potential to influence the Firm's decision-making in voting a proxy. Materiality determinations will be made by the Chief Compliance Officer or designee based upon an assessment of the particular facts and circumstances.

*Material Conflicts and Non-Routine Matters:* If the firm believes that (a) it has a material conflict and (b) that the issue to be voted upon is non-routine or is not covered by this Policy, then to avoid any potential conflict of interest:

- In the case of a Fund, the Firm shall contact the Fund board for a review and determination.

- In the case of all other conflicts or potential conflicts, the Firm may "echo vote" such shares, if possible, which means the Firm will vote the shares in the same proportion as the vote of all other holders of the issuer's shares; OR in cases when echo voting is not possible, the Firm may defer to ISS recommendations, abstain or vote in a manner that the Firm, in consultation with the General Counsel, believes to be in the best interest of the client.
- If the aforementioned options would not address or ameliorate the conflict or potential conflict, then the Firm may abstain from voting.

**Wellington Management Company LLP**
**Global Proxy Voting Guidelines**

## WELLINGTON'S PHILOSOPHY

Wellington Management is a long-term steward of our clients' assets and aims to vote proxies for which we have voting authority in the best financial interest of clients.

These guidelines are based on Wellington Management's fiduciary obligation to act in the best financial interest of its clients as shareholders and while written to apply globally, we consider jurisdictional differences to make informed decisions. Enumerated below are issues specific to the Japanese market given we have formulated more detailed expectations of this region.

It should be noted that the following are guidelines, not rigid rules, and Wellington Management reserves the right in all cases to deviate from the general direction set out below where doing so is in the best interest of its clients.

## OUR APPROACH TO STEWARDSHIP

The goal of our stewardship activities is to support decisions that we believe will maximize investment returns for our clients over the long term.

The mechanisms we use to implement our stewardship activities vary by asset class. Engagement applies to all our investments across equity and credit, in both private and public markets. Proxy voting applies mostly to public equities.

Stewardship extends to any area that may affect the long-term sustainable financial return of an investment. Stewardship can be accomplished through research and constructive dialogue with company management and boards, by monitoring company behavior through informed active ownership, and by emphasizing management accountability for important issues via our proxy votes, which have long been part of Wellington's investment ethos. Please refer to our Engagement Policy for more information on how engagement is conducted at Wellington.

## OUR APPROACH TO VOTING

We vote proxies in what we consider to be the best financial interests of our clients. Our approach to voting is investment-led and serves as an influential component of our engagement and escalation strategy. The Investment Stewardship Committee, a cross-functional group of experienced professionals, oversees Wellington Management's stewardship activities with regard to proxy voting and engagement practices.

Generally, routine issues that can be addressed by the proxy voting guidance below are voted by means of standing instructions communicated to our primary voting agent. Some votes warrant analysis of specific facts and circumstances and therefore are reviewed individually. We examine such proposals on their merits and take voting action in a manner that best serves the financial interests of our clients. When forming our voting decisions, we may leverage sources including internal research notes, third-party voting research, and company engagement. While manual votes are often resolved by investment research teams, each portfolio manager is empowered to make a final decision for their relevant client portfolio(s), absent a material conflict of interest. Proactive portfolio manager input is sought under certain circumstances, which may include consideration of position size and proposal subject matter and nature. Where portfolio manager input is proactively sought, deliberation across the firm may occur. This collaboration does not prioritize consensus across the firm above all other interests but rather seeks to inform portfolio managers' decisions by allowing them to consider multiple perspectives. Consistent with our community-of- boutiques model, portfolio managers may occasionally arrive at different voting conclusions for their clients, resulting in different decisions for the same vote. Robust voting procedures and the deliberation that occurs before a vote decision are aligned with our role as active owners and fiduciaries for our clients.

We generally support shareholder proposals if we determine that their adoption would promote long-term shareholder value. In making this determination, we consider numerous factors, including but not limited to the anticipated benefits of the proposal to the company; whether the proposal addresses the general interests of the company's shareholders and not just those of the shareholder proponents; whether the company is currently addressing the issue motivating the proposal or has engaged with the shareholder proponents; whether the company can implement the proposal effectively; and whether the proposal's adoption would impose material costs on the company or result in unintended consequences.

In addition, because proxy voting provides only limited means (i.e., voting ‘‘for’’ or ‘‘against’’) to express our views on a particular issue, we may support shareholder proposals in cases where we do not support every recommended action or where the proposal is accompanied by a supporting statement that we do not support so long as we are directionally aligned with the issue motivating the proposal. In these cases, we aim to engage directly with the company to clarify the nuanced view our vote represents.

Please refer to our Global Proxy Policy and Procedures for further background on the process and governance of our voting approach.

Detailed below are the principles that we consider when deciding how to vote.

## VOTING GUIDELINES

## BOARD COMPOSITION AND ROLE OF DIRECTORS

Effective boards should act in shareholders' best economic interests and possess the relevant skills to implement the company's strategy.

We consider shareholders' ability to elect directors annually an important right and, accordingly, generally support proposals to enable annual director elections and declassify boards.

We may withhold votes from directors for being unresponsive to shareholders or for failing to make progress on issues material to maximizing investment returns. We may also withhold votes from directors who fail to implement shareholder proposals that if adopted would promote long-term shareholder value and have received majority support or have implemented poison pills without shareholder approval.

### Time commitments

We expect directors to have the time and energy to fully commit to their board-related responsibilities and not be overstretched with an excessive number of external directorships. We may vote against directors when serving on five or more public company boards, and public company executives when serving on three or more public company boards, including their own.

We consider the roles of board chair and chair of the audit committee as equivalent to an additional board seat when evaluating the overboarding matrix for nonexecutives. We may take into consideration that certain directorships, such as Special Purpose Acquisition Companies (SPACs) and investment companies, are usually less demanding.

Directors should also attend at least 75% of scheduled board meetings. If they fail to do so, we may vote against their reelection.

### Succession planning and board refreshment

We do not have specific voting policies relating to director age or tenure. We prefer to take a holistic view, evaluating whether the company is balancing the perspectives of new directors with the institutional knowledge of longer-serving board members. Succession planning is a key topic during many of our board engagements.

We expect companies to refresh their board membership every five years and may vote against the chair of the nominating committee for failure to implement. We believe a degree of director turnover allows companies to strengthen board diversity and add new skill sets to the board to enhance their oversight and adapt to evolving strategies.

Boards should offer transparency around their process to evaluate director performance and independence, conducting a rigorous regular evaluation of the board --- key committees as well as individual directors --- which is responsive to shareholder input. We believe externally facilitated board evaluations may contribute to companies retaining an appropriate mix of skills, experience, and diversity on their boards over time.

In certain markets companies are governed by multi-tiered boards, with each tier having different responsibilities. We hold supervisory board members to similar standards, subject to prevailing local governance best practices.

### Board independence

In our view, boards perform best when composed of an appropriate combination of executive and nonexecutive (in particular, independent nonexecutive) directors to challenge and counsel management.

To determine appropriate minimum levels of board independence, we look to prevailing market best practices: two-thirds in the US, for example, and a majority in the UK and France. In addition to the overall independence at the board level, we also consider the independence of audit, compensation, and nominating committees. Where independence falls short of our expectations, we may withhold approval for non-independent directors or those responsible for the board composition. We typically vote in support of shareholder proposals calling for improved independence.

We believe that having an independent chair is the preferred structure for board leadership. Having an independent chair avoids the inherent conflict of self-oversight and helps ensure robust debate and diversity of thought in the boardroom. We will generally support proposals to separate the chair and CEO or establish a lead director but may support the involvement of an outgoing CEO as executive chair for a limited period to ensure a smooth transition to new management.

### Board diversity

We believe boards that reflect a wide range of perspectives are best positioned to create shareholder value. Appointing boards that thoughtfully debate company strategy and direction is not possible unless boards elect highly qualified and diverse directors. By setting a leadership example, boardrooms with a wide range of experiences, expertise, and perspectives encourage an organizational culture that promotes diverse thinkers, enabling better strategic decisions and the navigation of increasingly complex issues facing companies today.

We think it is not in shareholders' best interests for the full board to be comprised of directors who all share the same background, experience, and personal characteristics (e.g., gender, race, ethnicity, and age). We expect our portfolio companies to be thoughtful and intentional in considering the widest possible pool of skilled candidates who bring diverse perspectives into the boardroom. We encourage companies to disclose the composition and qualifications of their board and to communicate their ambitions and strategies for creating and fostering a diverse board.

We reserve the right to vote against the reelection of the Nominating/Governance Committee Chair when the board is not meeting local market standards from a diversity perspective. We expect a minimum of 20% gender diversity at major indices such as the S&P 500 and encourage boards to strive for 30% gender diversity. From 2025, we may vote against the reelection of the Nominating/Governance Committee Chair at major indices not meeting this 30% goal.

Outside of the above major indices and absent a market-defined standard, we may vote against the reelection of the Nominating/Governance Committee Chair where no gender-diverse directors are represented on a board.

We reserve the right to vote against the reelection of the Nominating/Governance Committee Chair at US large-cap and FTSE 100 companies that failed to appoint at least one director from a minority ethnic group and fail to provide a clear and compelling reason for being unable to do so. We will continue to engage on diversity of the board in other markets and may vote against the reelection of directors where we fail to see improvements.

### Majority vote on election of directors

Because we believe the election of directors by a majority of votes cast is the appropriate standard, we will generally support proposals that seek to adopt such a standard. Our support will typically extend to situations where the relevant company has an existing resignation policy for directors that receive a majority of ''withhold'' votes. We believe majority voting should be defined in the company's charter and not simply in its corporate governance policy.

Generally, we oppose proposals that fail to provide for the exceptional use of a plurality standard in the case of contested elections. Further, we will not support proposals that seek to adopt a standard of majority of votes outstanding (total votes eligible as opposed to votes cast). We likely will support shareholder and management proposals to remove existing supermajority vote requirements.

### Contested director elections

We approach contested director elections on a case-by-case basis, considering the specific circumstances of each situation to determine what we believe to be in the best financial interest of our clients. In each case, we welcome the opportunity to engage with both the company and the proponent to ensure that we understand both perspectives and are making an informed decision on our clients' behalf.

## COMPENSATION

Executive compensation plans establish the incentive structure that plays a role in strategy-setting, decision making, and risk management. While design and structure vary widely, we believe the most effective compensation plans attract and retain high-caliber executives, foster a culture of performance and accountability, and align management's interests with those of long-term shareholders.

Due to each company's unique circumstances and wide range of plan structures, Wellington determines support for a compensation plan on a case-by-case basis. We support plans that we believe lead to long-term value creation for our clients and the right to vote on compensation plans annually.

In evaluating compensation plans, we consider the following attributes in the context of the company's business, size, industry, and geographic location:

Alignment — We believe in pay-for-performance and encourage plan structures that align executive compensation with shareholder experience. We compare total compensation to performance metrics on an absolute and relative basis over various time frames, and we look for a strong positive correlation. To ensure shareholder alignment, executives should maintain meaningful equity ownership in the company while they are employed, and for a period thereafter.

Transparency — We expect compensation committees to articulate the decision-making process and rationale behind the plan structure, and to provide adequate disclosure so shareholders can evaluate actual compensation relative to the committee's intentions. Disclosure should include how metrics, targets, and time frames are chosen, and detail desired outcomes. We also seek to understand how the compensation committee determines the target level of compensation and constructs the peer group for benchmarking purposes.

Structure — The plan should be clear and comprehensible. We look for a mix of cash versus equity, fixed versus variable, and short- versus long-term pay that incentivizes appropriate risk-taking and aligns with industry practice. Performance targets should be achievable but rigorous, and equity awards should be subject to performance and/or vesting periods of at least three years, to discourage executives from managing the business with a near-term focus.

Unless otherwise specified by local market regulators, performance-based compensation should be based on metrics that are objective, rigorous, and tied to shareholder value creation. Qualitative goals, including material environmental and social considerations material to financial performance, may be acceptable if a compensation committee has demonstrated a fair and consistent approach to evaluating qualitative performance and applying discretion over time.

Accountability — Compensation committees should be able to use discretion, positive and negative, to ensure compensation aligns with performance and provide a cogent explanation to shareholders. We generally oppose one-time awards aimed at retention or achieving a predetermined goal. Barring an extenuating circumstance, we view retesting provisions unfavorably.

### Approving equity incentive plans

A well-designed equity incentive plan facilitates the alignment of interests of long-term shareholders, management, employees, and directors. We evaluate equity-based compensation plans on a case-by-case basis, considering projected plan costs, plan features, and grant practices. We will reconsider our support for a plan if we believe these factors, on balance, are not in the best financial interest of shareholders. Specific items of concern may include excessive cost or dilution, unfavorable change-in-control features, insufficient performance conditions, holding/ vesting periods, or stock ownership requirements, repricing stock options/stock appreciation rights (SARs) without prior shareholder approval, or automatic share replenishment (an ‘‘evergreen’’ feature).

### Employee stock purchase plans

We generally support employee stock purchase plans, as they may align employees’ interests with those of shareholders. That said, we typically vote against plans that do not offer shares to a broad group of employees (e.g., if only executives can participate) or plans that offer shares at a significant discount.

### Nonexecutive director compensation

We expect companies to disclose nonexecutive director compensation and we prefer the use of an annual retainer or fee, delivered as cash, equity, or a combination. We do not believe nonexecutive directors should receive performance- based compensation, as this creates a potential conflict of interest. Nonexecutive directors oversee executive compensation plans; their objectivity is compromised if they design a plan that they also participate in.

### Severance arrangements

We are mindful of the board’s need for flexibility in recruitment and retention but will oppose excessively generous arrangements unless agreements encourage management to negotiate in shareholders’ best financial interest. We generally support proposals calling for shareholder ratification of severance arrangements.

### Retirement bonuses (Japan)

Misaligned compensation that is based on tenure and seniority may compromise director independence. We generally vote against directors and statutory auditors if retirement bonuses are given to outgoing directors.

### Clawback policies

We believe companies should be able to recoup incentive compensation from members of management who received awards based on fraudulent activities, accounting misstatements, or breaches in standards of conduct that lead to corporate reputational damage. We generally support shareholder proposals requesting that a company establish a robust clawback provision if existing policies do not cover these circumstances. We also support proposals seeking greater transparency about the application of clawback policies.

### Audit quality and oversight

Scrutiny of auditors, particularly audit quality and oversight, has been increasing. When we assess financial statement reporting and audit quality, we will generally support management’s choice of auditors, unless the auditors have demonstrated failure to act in shareholders’ best economic interests. We also pay close attention to the nonaudit services provided by auditors and consider the potential for the revenue from those services to create conflicts of interest that could compromise the integrity of financial statement audits.

## SHAREHOLDER RIGHTS

### Shareholder rights plans

Also known as poison pills, these plans can enable boards of directors to negotiate higher takeover prices on behalf of shareholders. Such plans also may be misused, however, as a means of entrenching management. Consequently, we may support plans that include a shareholder approval requirement, a sunset provision, or a permitted bid feature (e.g., bids that are made for all shares and demonstrate evidence of financing must be submitted to a shareholder vote).

Because boards generally have the authority to adopt shareholder rights plans without shareholder approval, we are equally vigilant in our assessment of requests for authorization of blank-check preferred shares.

### Multiple voting rights

We generally support one share, one vote structures. The growing practice of going public with a dual-class share structure can raise governance and performance concerns. In our view, dual-class shares can create misalignment between shareholders' economic stake and their voting power and can grant control to a small number of insiders who may make decisions that are not in the interests of all shareholders.

We generally prefer that companies dispense with dual-class share structures but we recognize that newly listed companies may benefit from a premium by building in some protection for founders for a limited time after their IPO. The Council of Institutional Investors, a nonprofit association of pension funds, endowments, and foundations, recommends that newly public companies that adopt structures with unequal voting rights do away with the structure within seven years of going public. We believe such sunset clauses are a reasonable compromise between founders seeking to defend against takeover attempts in pivotal early years, and shareholders demanding a mechanism for holding management accountable, especially in the event of leadership changes.

Similarly, we generally do not support the introduction of loyalty shares, which grant increased voting rights to investors who hold shares over multiple years.

### Proxy access

We believe shareholders should have the right to nominate director candidates on the management's proxy card. We will generally support shareholder proposals seeking proxy access unless the existing policy is already in line with market norms.

### Special meeting rights

We believe the right to call a special meeting is an important shareholder right, and we will generally support such proposals to establish this right at companies that lack this facility. We will generally support a proposal lowering thresholds where the current level exceeds 15% and the proposal calls for a 10%+ threshold, taking into consideration the makeup of the existing shareholder base and the company's general responsiveness to shareholders. If shareholders are granted the right to call special meetings, we generally do not support written consent.

### Virtual meetings

Many companies established virtual-only shareholder meetings over the course of the recent COVID-19 pandemic. Virtual attendance allows investors to participate in more meetings and reduces the need for travel. We generally prefer shareholder meetings to take place in a hybrid format (virtual and in-person) where possible, allowing all shareholders, whether they attend in person or virtually, to ask questions. We expect companies hosting virtual-only shareholder meetings to provide a clear rationale underpinning their decision to do so, provide a live video stream of proceedings, and offer transparency on how questions may be submitted and are selected for discussion.

We may oppose amendments to articles of association permitting virtual-only meetings where we perceive shareholder rights to be at risk. We may also support relevant shareholder proposals requesting companies to facilitate the ability to attend in person.

## CAPITAL STRUCTURE AND CAPITAL ALLOCATION

### Mergers and acquisitions

We approach votes to approve mergers and acquisitions on a case-by-case basis, considering the specific circumstances of each proposal to determine what we believe to be in the best financial interests of our clients.

### Increases in authorized common stock

We generally support requests for increases up to 100% of the shares with preemption rights. Exceptions will be made when the company has clearly articulated a reasonable need for a greater increase. Conversely, at companies trading in less-liquid markets, we may impose a lower threshold. When companies seek to issue shares without preemptive rights, we consider potential dilution and generally support requests when dilution is below 20%. For issuance with preemptive rights, we review on a case-by-case basis, considering the size of issuance relative to peers.

## ENVIRONMENTAL TOPICS

We assess portfolio companies' performance on environmental issues we deem to be material to long-term financial performance and communicate our expectations for best practice.

### Climate change

As an asset manager entrusted with investing on our clients' behalf, we aim to assess, monitor, and manage the potential effects of climate change on our investment processes and financial returns of client portfolios. Proxy voting is a key tool we use for managing climate-related investment risks – as part of our stewardship escalation process.

We expect companies facing material climate risks to have credible transition plans communicated using the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Appropriate reporting on climate readiness will help stakeholders understand those companies' willingness and ability to adapt to or mitigate

material climate-related risks. In addition to the voting policies specifically mentioned, we may also vote against directors at companies facing material climate risks where climate plans and disclosures meaningfully lag our expectations for those companies.

*Emissions disclosure*

We generally encourage all companies to disclose Scope 1, 2, and 3 emissions. While we recognize the challenges associated with collecting Scope 3 emissions data, this disclosure is necessary for us to fully understand the transition risks applicable to an issuer. Disclosure of both overall categories of Scope 3 emissions – upstream and downstream – with context and granularity from companies about the most significant Scope 3 sources enhances our ability to evaluate investment risks and opportunities. We generally encourage companies to adopt emerging global standards for measurement and disclosure of emissions such as those being developed by the International Sustainability Standards Board (ISSB) and believe companies will benefit from acting now and consequently evolving their approach in line with emerging global standards.

We view disclosure of Scope 1 and 2 emissions as a minimum expectation where measurement practices are well-defined and attainable. We will generally vote against the reelection of the chair of MSCI World companies and large- cap companies in emerging markets that do not disclose Scope 1 and 2 emissions, have not made a commitment to do so in the next year, and where emissions intensity is material to financial performance.

*Net-zero targets*

As an outcome of enterprise risk management and strategic planning to reduce the potential negative financial impacts of climate change on shareholder value, we encourage companies to set a credible, science-based decarbonization glidepath, with an interim and long-term target, that comprises all categories of material emissions and is consistent with the ambition to achieve net-zero emissions by 2050 or sooner. For certain high-emitting companies, we reserve the right to vote against the company chair where quantitative emission reduction targets have not been defined. We consider it to be best practice for companies to pursue validation from the Science Based Targets initiative (SBTi).

We generally support shareholder proposals asking companies facing material climate risks for improved disclosure on climate risk management and we generally support those that request alignment of business strategies with the Paris Agreement or similar language.

### Biodiversity

Many companies are dependent on natural capital and biodiversity as key inputs either through direct resource extraction or their supply chain. Business activities may also impact the capacity of nature to provide social and economic functions. We recognize that biodiversity impact and loss can be challenging to quantify and measure, but we believe companies should assess environmental inputs and outputs. We encourage companies to report on financially material impacts and dependencies on natural capital relevant to their business.

### Other environmental shareholder proposals

For other environmental proposals covering themes including biodiversity, natural capital, deforestation, water usage, (plastic) packaging, as well as palm oil, we take a case-by-case approach and will generally support proposals calling for companies to provide disclosure where this is additive to the company's existing efforts, the proposed information pertains to a material financial impact, and in our view is of economic benefit to investors.

## SOCIAL TOPICS

### Corporate culture, human capital, and diversity, equity, and inclusion

Through engagement we emphasize to management the importance of how they invest in and cultivate their human capital to perpetuate a strong culture. We assess culture holistically from an alignment of management incentives, responsiveness to employee feedback, evidence of an equitable and sound talent management strategy and commitment to diversity, equity, and inclusion (DEI) practices that promote shareholder value. We value transparency and use of key performance indicators.

A well-articulated culture statement and talent attraction, retention, and development strategy suggest that a company appreciates culture and talent as competitive advantages that can drive long-term value creation. It also sends a strong message when management compensation is linked, when appropriate, to employee satisfaction. If the company conducts regular employee engagement surveys, we look for leadership to disclose the results both positive and negative – so we can monitor patterns and assess whether they are implementing changes based on the feedback they receive. We consider workplace locations and how a company balances attracting talent with the costs of operating in desirable cities.

We maintain that a deliberate human capital management strategy should foster a collaborative, productive workplace in which all talent can thrive. One ongoing engagement issue that pertains to human capital management is DEI. We see DEI practices as a material input to long-term financial performance, so as our clients' fiduciaries, we seek to better understand how and to what extent a company's approach to diversity is integrated with talent management at all levels. This is significantly aided when there is consistent, robust disclosure in place. A sound long-term plan holds more weight than a company's current demographics, so we look for a demonstrable DEI

strategy that seeks to improve shareholder value over time and align management incentives accordingly. To that end, we expect companies in the US to publicly disclose their EEO-1 reporting and all companies to disclose their DEI strategy.

Gender and racial pay equity are important parts of our assessment of a company's diversity efforts. Pay inequity can impact shareholder value by exposing a company to challenges with recruiting and retaining talent, job dissatisfaction, workforce turnover, and costly lawsuits. Consequently, we may support proposals asking for improved transparency on a company's gender and/or racial pay gap if existing disclosures are lagging best practice and if the company has not articulated its efforts to promote equal opportunities to advance to senior roles.

We believe diversity among directors, leaders, and employees contributes positively to shareholder value by imbuing a company with myriad perspectives that help it better navigate complex challenges. A strong culture of diversity and inclusion begins in the boardroom. See the Board Diversity section above for more on our approach.

### Stakeholders and risk management

In recent years, discourse on opioids, firearms, and sexual harassment has brought the potential for social externalities - the negative effects that companies can have on society through their products, cultures, or policies - into sharp focus. These nuanced, often misunderstood issues can affect the value of corporate securities.

We encourage companies facing these risks to disclose related risk-management strategies. When a company faces litigation or negative press, we inquire about lessons learned and request evidence of substantive changes that aim to prevent recurrence and mitigate downside risk. In these cases, we may also support proposals requesting enhanced disclosure on actions taken by management.

### Human rights

Following the 2015 passage of the UK's Modern Slavery Act, a handful of countries have passed laws requiring companies to report on how they are addressing risks related to human rights abuses in their global supply chains. While human rights have been a part of our research and engagement in this context, we seek to assess companies' exposures to these risks, determine the sectors for which this risk is most material (highest possibility of supply chain exposure), enhance our own engagement questions, and potentially work with external data providers to gain insights on specific companies or industries. To help us assess company practices and drive more substantive engagement with companies on this issue, we will generally support proposals requesting enhanced disclosure on companies' approach to mitigating the risk of human rights violations in their business.

### Cybersecurity

Robust cybersecurity practices are imperative for maintaining customer trust, preserving brand strength, and mitigating regulatory risk. Companies that fail to strengthen their cybersecurity platforms may end up bearing large costs. Through engagement, we aim to compare companies' approaches to cyber threats, regardless of region or sector, to distinguish businesses that lag from those that are better prepared.

### Political contributions and lobbying

We generally support shareholder proposals asking for enhanced disclosure and board oversight of a company's political and lobbying activities where existing disclosure and board oversight are inadequate. This is because sufficient disclosure and board oversight are necessary to evaluate whether, and ensure that, these activities align with the company's stated strategy and promote shareholder value.

## JAPAN-SPECIFIC TOPICS

### Capital allocation

We hold board chairs accountable for persistently low returns on equity (ROE) in Japan, using a five-year average ROE of below 5% as a guide. Our assessment of a company's capital stewardship complements our assessment of board effectiveness without dictating specific capital allocation decisions. We may make exceptions where ROE is improving, where a long-cycle business warrants a different standard, or where new management is in place, and we feel they should not be punished for the past CEO/chair's record.

### Cross-shareholdings

Cross-shareholdings reduce management accountability by creating a cushion of crossover investor support. We may vote against the highest-ranking director up for reelection for companies where management has allocated a significant portion (20% or more) of net assets to cross-shareholdings. When considering this issue, we will take into account a company's trajectory in reducing cross-shareholdings over time, as well as legitimate business reasons given to retain specific shareholdings.

### Board diversity

We look for boards on the Japanese Prime Market to have a minimum 10% gender diversity, not inclusive of statutory auditors. For companies on the Non-Prime Market, we will also look for boards to have a minimum 10% gender diversity, inclusive of statutory auditors as applicable. We may vote against the chair of the board (or CEO in

the absence of a board chair) where the board fails to meet this level. We expect to be able to support directors where a credible plan has been adopted to increase gender diversity ahead of the next meeting.

### Board independence

We reserve the right to vote against the chair of the board or the most senior executive up for election at Japanese companies if the board of directors fails to meet the following independence expectations:

- For companies on the Prime Market without a controlling shareholder, we expect the board to be comprised of at least one-third independent directors.
- For companies on the Prime Market with a controlling shareholder, we expect the board to be majority independent.
- For companies on the Non-Prime Market with a controlling shareholder, we expect the board to be comprised of at least one-third independent directors.
- For companies on the Non-Prime Market without a controlling shareholder and a two-tiered board, we expect combined one-third independence of the board of directors and the board of statutory auditors, and at least two independent outside directors.

- For companies on the Non-Prime Market without a controlling shareholder and a one-tiered board (with either one or three committees), we expect one-third independence.

We continue to require a majority of the board of statutory auditors to be independent, regardless of the market segments. We further encourage Japanese companies to establish nomination/compensation committees, and to clearly describe the role of the board chair in terms of setting the board agenda and driving accountability.

**PZENA INVESTMENT MANAGMENT, LLC**
Proxy Voting Policy

INTRODUCTION

As a registered investment adviser and fiduciary, Pzena Investment Management, LLC ("PIM") exercises our responsibility, where applicable, to vote in a manner that, in our judgement, is solely in the client's best interest and will maximize long-term shareholder value. The following policies and procedures have been established to ensure decision making is consistent with PIM's fiduciary responsibilities and applicable regulations under the Investment Company Act, Advisers Act and ERISA.

GENERAL APPROACH

Each proxy that comes to PIM to be voted shall be evaluated per the prudent process described below, in terms of what is in the best interest of our clients. We deem the best interest of clients to be solely that which maximizes shareholder value and yields the best economic results (e.g., higher stock prices, long-term financial health, and stability). We will not subordinate the interests of our clients to any non-pecuniary interests nor will we promote non-pecuniary benefits or goals unrelated to our clients' long-term financial interests.

PIM's standard Investment Advisory Agreement provides that until notified by the client to the contrary, PIM shall have the right to vote all proxies for securities held in that client's account. Where PIM has voting responsibility on behalf of a client, and absent any client specific instructions, we generally follow the Voting Guidelines ("Guidelines") set forth below. These Guidelines, however, are not intended as rigid rules and do not cover all possible proxy topics. Each proxy issue will be considered individually and PIM reserves the right to evaluate each proxy vote on a case-by-case basis, as long as voting decisions reflect what is in the best interest of our clients.

To the extent that, in voting proxies for an account subject to ERISA, PIM determines that ERISA would require voting a proxy in a manner different from these Guidelines, PIM may override these Guidelines as necessary in order to comply with ERISA. Additionally, because clients, including ERISA clients, do not pay any additional fees or expenses specifically related to our proxy voting, there is not a need to consider the costs related to proxy voting impacting the value of an investment or investment performance.

In those instances where PIM does not have proxy voting responsibility, we shall forward any proxy materials to the client or to such other person as the client designates.

Proxy Voting Limitations
While, subject to the considerations discussed above, PIM uses our best efforts to vote proxies, in certain circumstances it may be impractical or impossible to do so. Such instances include but are not limited to share blocking, securities lending, if PIM concludes that abstention is in our clients' economic interests and/or the value of the portfolio holding is indeterminable or insignificant.

VOTING GUIDELINES

The following Guidelines summarize PIM's positions on various issues of concern to investors and give an indication of how portfolio securities generally will be voted. These Guidelines are not exhaustive and do not cover all potential voting issues or the intricacies that may surround individual proxy votes. Actual proxy votes may also differ from the Guidelines presented, as we will evaluate each individual proxy on its own merit.

It is also worth noting that PIM considers the reputation, experience and competence of a company's management and board when it researches and evaluates the merits of investing in a particular security. In general, PIM has confidence in the abilities and motives of the board and management of the companies in which we invest.

1) ROUTINE BUSINESS

PIM will typically vote in accordance with the board and management on the items below and other routine issues when adequate information on the proposal is provided.

i. Change in date and place of annual meeting (if not associated with a takeover);

ii. Change in company name;

iii. Approval of financial statements;

iv. Reincorporation (unless to prevent takeover attempts);

v. Stock splits; or

vi. Amend bylaws/articles of association to bring in line with changes in local laws and regulations.

PIM will oppose vague, overly broad, open-ended, or general "other business" proposals for which insufficient detail or explanation is provided or risks or consequences of a vote in favor cannot be ascertained.

2) CAPITAL STRUCTURE

***Stock Issuance***

PIM will consider on a case-by-case basis all proposals to increase the issuance of common stock, considering company-specific factors that include, at a minimum:

i. Past board performance (use of authorized shares during the prior three years);

ii. Stated purpose for the increase;

iii. Risks to shareholders of not approving the request; or

iv. Potential dilutive impact.

PIM will generally vote for such proposals (without preemptive rights) up to a maximum of 20% more than currently issued capital over a specified period, while taking into account management's prior use of these preemptive rights. PIM will, however, vote against such proposals if restrictions on discounts are inadequate (i.e., discount limit is not stated or is in excess of 10% of the market price) and/or the limit on the number of times the mandate may be refreshed is not in line with local market practices.

3) AUDIT SERVICES

PIM is likely to support the approval of auditors unless,

i. Independence is compromised;

ii. Non-audit ("other") fees are greater than the sum of the audit fees[2], audit-related fees[3] and permissible tax fees[4];

iii. There is reason to believe the independent auditor has rendered an opinion which is neither accurate nor indicative of the company's financial position; or

iv. Serious concerns about accounting practices are identified such as fraud, misapplication of Generally Accepted Accounting Principles ("GAAP") and material weaknesses identified in Section 404 disclosures of the Sarbanes-Oxley Act of 2002.

PIM will also apply a case-by-case assessment to shareholder proposals asking companies to prohibit their auditors from engaging in non-audit services (or capping the level of non-audit services), taking into account whether the non-audit fees are excessive (per the formula above) and whether the company has policies and procedures in place to limit non-audit services or otherwise prevent conflicts of interest.

4) COMPENSATION

PIM supports reasonable incentive programs designed to attract and retain key talent. PIM typically supports management's discretion to set compensation for executive officers, so long as the plan aligns management and shareholder interests. PIM evaluates each plan in detail to assess whether the plan provides adequate incentive to reward long-term performance and the impact on shareholder value (e.g. dilution).

***Say on Pay***

PIM prefers a shareholder vote on compensation plans to provide a mechanism to register discontent with the plan itself or management team performance. As long as such proposals are non-binding and worded in a generic manner (unrestrictive to actual company plans), PIM will support them. In evaluating these proposals, PIM will generally consider, at minimum: company performance, pay practices relative to industry peers, potentially problematic pay practices and/or past unresponsive behavior.

Circumstances where PIM may oppose these proposals include:

i. Restricts the company's ability to hire new, suitable management; or

ii. Restricts an otherwise responsible management team in some other way harmful to the company.

***Pay for Performance***

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[2] Audit fees shall mean fees for statutory audits, comfort letters, attest services, consents, and review of filings with the SEC

[3] Audit-related fees shall mean fees for employee benefit plan audits, due diligence related to M&A, audits in connection with acquisitions, internal control reviews, consultation on financial accounting and reporting standards

[4] Tax fees shall mean fees for tax compliance (tax returns, claims for refunds and tax payment planning) and tax consultation and planning (assistance with tax audits and appeals, tax advice relating to M&A, employee benefit plans and requests for rulings or technical advice from taxing authorities)

PIM will generally support plans under which 50% or more of the shares awarded to top executives are tied to performance goals. Maintaining appropriate pay-for-performance alignment means executive pay practices must be designed to attract, retain, and appropriately motivate the key employees who drive shareholder value creation over the long term. Our evaluation of this issue will take into consideration, among other factors, the link between pay and performance; the mix between fixed and variable pay; performance goals; equity-based plan costs; and dilution.

***Incentive Options***

PIM is generally supportive of incentive options that provide the appropriate degree of pay-for- performance alignment (as per the above) and are therefore in shareholder best interest. PIM will vote on a case-by-case basis depending on certain plan features and equity grant practices, where positive factors may counterbalance negative factors, and vice versa.

However, the following would generally cause PIM to vote against a management incentive arrangement:

i. The proposed plan is in excess of 10% of shares;

ii. The 3-year average burn rate has been substantially above industry norms;

iii. The new plan replaces an existing plan before the existing plan's termination date and some other terms of the new plan are likely to be adverse to the maximization of investment returns; or

iv. The proposed plan resets options, or similarly compensates executives, for declines in a company's stock price. This includes circumstances where a plan calls for exchanging a lower number of options with lower strike prices for an existing larger volume of options with high strike prices, even when the option valuations might be considered the same total value. However, this would not include instances where such a plan seeks to retain key executives who have been undercompensated in the past.

***Golden Parachutes / Severance Agreements***

PIM will vote on a case-by-case basis, considering at minimum existing change-in-control arrangements maintained with named executive officers and new or extended arrangements.

PIM will generally vote against such proposals if:

i. The proposed arrangement is excessive or not reasonable in light of similar arrangements for other executives in the company or in the company's industry;

ii. The proposed parachute or severance arrangement is considerably more financially attractive than continued employment. Although PIM will apply a case-by-case analysis of this issue, as a general rule, a proposed severance arrangement which is three or more times greater than the affected executive's then-current compensation shall be voted against; or

iii. The triggering mechanism in the proposed arrangement is solely within the recipient's control (e.g., resignation).

***Tax Deductibility***

Votes to amend existing plans to increase shares reserved and to qualify for tax deductibility under the provisions of Section 162(m) should be considered on a case-by-case basis, considering the overall impact of the amendment(s).

5) BOARD

***Director Elections***

PIM generally will evaluate director nominees individually and as a group based on our assessment of record and reputation, business knowledge and background, shareholder value mindedness, accessibility, corporate governance abilities, time commitment, attention and awareness, independence, and character. PIM will apply a case-by-case approach to determine whether to vote for or against directors nominated by outside parties whose interests may conflict with our interests as shareholders, regardless of whether management agrees with the nomination.

***Board Independence***

PIM will generally withhold votes from or vote against any insiders and affiliated outsiders on boards that are not at least majority independent. PIM also prefers companies to have audit committees composed of entirely independent directors.

PIM may vote in favor of any such directors in exceptional circumstances where the company has shown significant improvement.

***Board Size***

PIM believes there is no optimal size or composition that fits every company. However, PIM prefers that the number of directors cannot be altered significantly without shareholder approval; otherwise, potentially allowing the size of the board to be used as an anti-takeover defense.

***Board Tenure***

PIM believes that any restrictions on a director's tenure, such as a mandatory retirement age or length of service limits, could harm shareholder interests by forcing experienced and knowledgeable directors off the board. However, PIM prefers that boards do not have more than 50% of members serving for longer than ten years to avoid board entrenchment and 'group-think'.

***Chairman/CEO***

PIM will evaluate and vote proposals to separate the Chairman and CEO positions in a company on a case-by-case basis based on our assessment of the strength of the company's governing structure, the independence of the board and compliance with local listing requirements, among other factors. When the positions of Chairman and CEO are combined, PIM prefers that the company has a lead independent director to provide some independent oversight.

***Cumulative Voting***

PIM will generally vote against proposals to establish cumulative voting, as this leads to misaligned voting and economic interest in a company. PIM will, however, vote in favor of proposals for cumulative voting at controlled companies where insider voting power is greater than 50%.

***Director Over-Boarding***

PIM will vote such proposals on a case-by-case basis but prefers that directors do not sit on more than three additional boards. In evaluating these proposals PIM will consider, at minimum, management tenure, director business expertise and director performance.

***Classified Boards***

PIM generally opposes classified boards because this makes a change in board control more difficult and hence may reduce the accountability of the board to shareholders. However, these proposals will be evaluated on a case-by-case basis and will consider, at minimum, company and director performance.

***Board Diversity***

PIM is generally supportive of a diverse board (age, experience, race, gender etc.) that is representative of its customers and stakeholders. That said, PIM does not believe in board quotas or any restrictions on director tenure that could harm shareholder interests by preventing qualified board candidates from being nominated or forcing experienced or knowledgeable directors off the board.

6) SHAREHOLDER RIGHTS

In general PIM does not support any proposals designed to limit shareholder rights; below we have outlined some of the issues we consider most important.

***Special Meetings***

PIM generally supports proposals enabling shareholders to call a special meeting of a company so long as at least a 15% threshold with a one-year holding period is necessary for shareholders to do so. However, on a case-by-case basis, a 10% threshold may be deemed more appropriate should particular circumstances warrant; for example, in instances where executive compensation or governance has been an issue for a company.

***One Share, One Vote***

PIM is generally opposed to proposals to create dual-class capitalization structures as these provide disparate voting rights to different groups of shareholders with similar economic investments.

However, PIM will review proposals to eliminate a dual-class structure on a case-by-case basis, considering, at minimum, management's prior record.

***Supermajority***

PIM does not support supermajority voting provisions with respect to corporate governance issues unless it would be in the best interest of shareholders. In general, vesting a minority with veto power over shareholder decisions could deter tender offers and hence adversely affect shareholder value.

***Proxy Access***

PIM will assess these proposals on a case-by-case basis, but generally supports proxy access proposals that include an ownership level and holding period of at least 3% for three years or 10% for one year.

7) SOCIAL/ENVIRONMENTAL

PIM will consider environmental and social proposals on their own merits and make a case-by-case assessment. PIM will consider supporting proposals that address material issues if we believe they will protect and/or enhance the long-term value of the company.

While PIM is generally supportive of resolutions seeking additional ESG disclosures, such proposals will be evaluated on a case-by-case basis, taking into consideration whether the requested disclosure is material, incremental and of reasonable cost to the business.

8) ANTI-TAKEOVER

PIM generally supports anti-takeover measures that are in the best interest of shareholders and does not support anti-takeover measures such as poison pills that entrench management and/or thwart maximization of investment returns.

ROLES & RESPONSIBILITIES

Role of ISS

PIM has engaged Institutional Shareholder Services ("ISS") to provide a proxy analysis with research and a vote recommendation for each shareholder meeting of the companies in our client portfolios. In engaging and continuing to engage ISS, PIM has determined that, where applicable, ISS proxy voting guidelines are consistent with ERISA's fiduciary duties including that the votes are made in the best interest of our clients, focus on yielding the best economic results for our clients. ISS also votes, records and generates a voting activity report for our clients and assists us with recordkeeping and the mechanics of voting. In no circumstance shall ISS have the authority to vote proxies except in accordance with standing or specific instructions given to it by PIM. PIM retains responsibility for instructing ISS how to vote, and we still apply our own Guidelines as set forth herein. PIM does not utilize pre-population or automated voting except as a safeguard mechanism designed to ensure that, in the unlikely event that we fail to submit vote instructions for a particular proxy, our shares will still get voted. If PIM does not issue instructions for a particular vote, the default is for ISS to mark the ballots in accordance with our Guidelines (when they specifically cover the item being voted on), and to refer all other items back to PIM for instruction (when there is no PIM policy covering the vote).

When voting a proxy for a security that PIM's Research team does not cover, we will vote in accordance with our Guidelines (when they specifically cover the item being voted on) and defer to ISS's recommendations on all other items.

Periodically, PIM's Vendor Management Committee conducts a due diligence review of ISS, through which it reviews and evaluates certain key policies and procedures submitted to us by ISS. PIM's Proxy Coordinator reconciles votable holdings against the ISS portal sharecount before each meeting. PIM also samples and reviews proxy votes when testing our Proxy Voting Policy, as part of our regular compliance testing procedures. Further, PIM reviews ISS' procedures for receiving additional information from issuers after a proxy has been sent, incorporating that information into its recommendations, and sending that information and/or updated recommendations to PIM.

Role of Analyst

The analyst who is responsible for covering the company also votes the associated proxies since they have first-hand in-depth knowledge of the company. In evaluating proxy issues, the analyst will utilize a variety of sources to help come to a decision:

i. Information gathered through in-depth research and on-going company analyses performed by our investment team in making buy, sell and hold decisions for our client portfolios. This process includes regular external engagements with senior management of portfolio companies and internal discussions with Portfolio Managers ("PMs") and the Chief Investment Officer ("CIO"), as needed;

ii. ISS reports to help identify and flag factual issues of relevance and importance;

iii. Information from other sources, including the management of a company presenting a proposal, shareholder groups, and other independent proxy research services; and/or

iv. Where applicable, any specific guidelines designated in writing by a client.

Proxy Voting Committee

To help make sure that PIM votes client proxies in accordance with our fiduciary obligation to maximize shareholder value, we have established a Proxy Voting Committee ("the Committee") which is responsible for overseeing the Guidelines. The Committee consists of representatives from Legal, Compliance, Research, and Operations, including our Chief Compliance Officer ("CCO"), Director of Research ("DOR"), and at least one PM (who represents the interests of all PIM's portfolio managers and is responsible for obtaining and expressing their opinions at committee meetings). The Committee will meet at least once annually and as often as necessary to oversee our approach to proxy voting.

The DOR is responsible for monitoring the analyst's compliance with the Guidelines, the CCO is responsible for monitoring overall compliance with these procedures and an internally-designated "Proxy Coordinator" is responsible for day-to-day proxy voting activities.

CONFLICTS OF INTEREST

PIM is sensitive to conflicts of interest that may arise in the proxy voting process. PIM believes that application of the Guidelines should, in most cases, adequately address any potential conflicts of interest. However, if an actual or potential material conflict of interest has been identified, PIM has put in place a variety of different mitigation strategies as outlined below.

A potential material conflict of interest could exist in the following situations:

i. PIM manages any pension or other assets affiliated with a publicly traded company, and also holds that company's or an affiliated company's securities in one or more client portfolios;

ii. PIM has a client relationship with an individual who is a corporate director, or a candidate for a corporate directorship of a public company whose securities are in one or more client portfolios; or

iii. A PIM officer, director or employee, or an immediate family member thereof is a corporate director, or a candidate for a corporate directorship of a public company whose securities are in one or more client portfolios. For purposes hereof, an immediate family member is generally defined as a spouse, child, parent, or sibling.

If a potential material conflict of interest exists, the following procedures will be followed:

i. If our proposed vote is consistent with the Guidelines, above, we will vote in accordance with our proposed vote;

ii. If our proposed vote is inconsistent with or not covered by our Guidelines, but is consistent with the recommendations of ISS, we will vote in accordance with ISS recommendations; and

iii. If our proposed vote is inconsistent with or not covered by our Guidelines, and is inconsistent with the recommendations of ISS, the CCO and the DOR (or their respective designees) (the "Conflicts Committee") will review the potential conflict and determine whether the potential conflict is material.

a. If the Conflicts Committee determines that the potential conflict is not material, we will vote in accordance with the proposed vote.

b. If the Conflicts Committee determines the potential conflict is material, the Conflicts Committee will review the proposed vote, the analysis and rationale for the vote recommendation, the recommendations of ISS and any other information the Conflicts Committee may deem necessary in order to determine whether the proposed vote is reasonable and not influenced by any material conflicts of interest. The Conflicts Committee may seek to interview the research analysts or portfolio managers or any other party it may deem necessary for making its determination.

i. If the Conflicts Committee determines the proposed vote is reasonable and not influenced by any conflicts of interest, we will vote in accordance with our proposed vote.

ii. If the Conflicts Committee cannot determine that the proposed vote is reasonable and not influenced by any conflict of interest, the Conflicts Committee will determine the best course of action in the best interest of the clients which may include deferring to the ISS recommendation or notifying each client who holds the relevant securities of the potential conflict, to seek such client's voting instruction.

On an annual basis, we will review and assess the conflicts policies and Code of Conduct that ISS posts on its website for sufficiency in addressing potential conflict of interest, self-dealing and improper influence issues that may affect voting recommendations by ISS. PIM will also periodically review samples of ISS' recommendations for voting proxies, after the vote has occurred, to ensure that ISS' recommendations are consistent with ISS' proxy voting guidelines, as applicable. PIM's analysts also incorporate information regarding ISS' potential conflicts of interest into their process when evaluating and voting proxies, and on a annual basis, our DOR reviews an updated list of ISS' significant client relationships.

Other Situations

***Client Conflict***

Where PIM manages the assets of a proponent of a shareholder proposal for a company whose securities are in one or more client portfolios, the following guidance should be followed:

i. The identity of the proponent of a shareholder proposal shall not be given any substantive weight (either positive or negative) and shall not otherwise influence an analyst's determination whether a vote for or against a proposal is in the best interest of our clients.

ii. Where PIM determines that it is in the best interest of our clients to vote against that proposal, a designated member of PIM's client service team will notify the client- proponent and give that client the option to direct PIM in writing to vote the client's proxy differently than it is voting the proxies of our other clients.

iii. If the proponent of a shareholder proposal is a PIM client whose assets under management with PIM constitute 30% or more of PIM's total assets under management, and PIM has determined that it is in the best interest of our clients to vote for that proposal, PIM will disclose its intention to vote for such proposal to each additional client who also holds the securities of the company soliciting the vote on such proposal and for whom PIM has authority to vote proxies. If a client does not object to the vote within three business days of delivery of such disclosure, PIM will be free to vote such client's proxy as stated in such disclosure.

***Analyst Conflict***

If the analyst voting the proxy also beneficially owns shares of the company in his/her personal trading accounts, they must notify the Proxy Coordinator and the DOR must sign off on the analyst's votes for that company. It is the responsibility of each analyst to disclose such personal interest and obtain such approval. Any other owner, partner, officer, director, or employee of PIM who has a personal or financial interest in the outcome of the vote is prohibited from attempting to influence the proxy voting decision of PIM personnel responsible for voting client securities.

VOTING PROCEDURES

If an analyst desires to vote contrary to the Guidelines set forth in this proxy voting policy or the written proxy voting policy designated by a specific client, the analyst will discuss the vote with the CIO, and/or DOR and/or a PM for the strategy in which the security is held. The CIO, DOR and/or the PM, shall, in turn, determine how to vote the proxy based on the analyst's recommendation and the long-term economic impact such vote will have on the securities held in client portfolios. If the CIO, DOR and/or the PM agree with the analyst's recommendation and determine that a contrary vote is advisable the analyst will provide written documentation of the reasons for the vote.

***Vote Processing***

It is understood that PIM's and ISS' ability to commence voting proxies for new or transferred accounts is dependent upon the actions of custodian's and banks in updating their records and forwarding proxies. PIM will not be liable for any action or inaction by any Custodian or bank with respect to proxy ballots and voting.

***Client Communication***

PIM will include a copy of these proxy voting policies and procedures, as they may be amended from time to time, in each new account pack sent to prospective clients. We also will update our ADV disclosures regarding these policies and procedures to reflect any material additions or other changes to them, as needed. Such ADV disclosures will include an explanation of how to request copies of these policies and procedures as well as any other disclosures required by Rule 206(4)-6 of the Advisers Act.

***Return Proxies***

The CCO or designee shall send or cause to be sent (or otherwise communicate) all votes to the company or companies soliciting the proxies within the applicable time period designated for return of such votes, unless not possible to do so due to late receipt or other exigent circumstances.

CORPORATE ACTIONS

PIM is responsible for monitoring both mandatory (e.g. calls, cash dividends, exchanges, mergers, spin-offs, stock dividends and stock splits) and voluntary (e.g. rights offerings, exchange offerings, and tender offers) corporate actions. Operations personnel will ensure that all corporate actions received are promptly reviewed and recorded in PIM's portfolio accounting system, and properly executed by the custodian banks for all eligible portfolios. On a daily basis, a file of PIM's security database is sent to a third-party service, Vantage, via an automated upload which then provides corporate action information for securities included in the file. This information is received and acted upon by the Operations personnel responsible for corporate action processing. In addition, PIM receives details on voluntary and mandatory corporate actions from the custodian banks via email or online system and all available data is used to properly understand each corporate event.

***Voluntary Corporate Actions***

The Portfolio Management team is responsible for providing guidance to Operations on the course of action to be taken for each voluntary corporate action received in accordance with the standards described above for proxy voting, including, but not limited to, acting in the best interest of clients to maximize long-term shareholder value and yield the best economic results. In some instances, if consistent with such standards, the Portfolio Management team may maintain standing instructions on particular event types. As appropriate, Legal and Compliance may be consulted to determine whether certain clients may participate in certain corporate actions. Operations personnel will then notify each custodian bank, either through an online interface, via email, or with a signed faxed document of the election selected. Once all necessary information is received and the corporate action has been vetted, the event is processed in the portfolio accounting system and filed electronically. A log of holdings information related to the corporate action is maintained for each portfolio in order to confirm accuracy of processing.

CLASS ACTIONS

PIM shall not have any responsibility to initiate, consider or participate in any bankruptcy, class action or other litigation against or involving any issue of securities held in or formerly held in a client account or to advise or take any action on behalf of a client or former client with respect to any such actions or litigation.

RECORD KEEPING

PIM or ISS, on PIM's behalf, maintains (i) copies of the proxy materials received by PIM for client securities; (ii) records of proxies that were not received and what actions were taken to obtain them; (iii) votes cast on behalf of clients by account; (iv) records of any correspondence made regarding specific proxies and the voting thereof; (v) client requests for proxy voting information (including reports to mutual fund clients for whom PIM has proxy voting authority containing information they need to satisfy their annual reporting obligations under Rule 30b-1-4 and to complete Form N-PX); (vi) documents prepared by PIM to inform and/or memorialize a voting decision, including these policies and procedures and any documentation related to a material conflict of interest; and (vii) records of any deviations from broad Guidelines. Such records will be maintained for a minimum of six years.

POLICY REVIEW

The Proxy Voting Committee reviews these Voting Guidelines and procedures at least annually and makes such changes as it deems appropriate, considering current trends and developments in corporate governance and related issues, as well as operational issues facing PIM and applicable regulations under the Investment Company Act, Advisers Act and ERISA.

**BEUTEL, GOODMAN & COMPANY LTD.**
**PROXY VOTING POLICY ON SECURITIES**

Beutel, Goodman & Company Ltd. ("Beutel Goodman") instructs custodians to forward all client proxies to Glass Lewis & Co. ("Glass Lewis") for coordination of the voting process.

As part of its portfolio management responsibilities, the appropriate equity department analyst thoroughly reviews and approves in writing each proxy item before casting the votes. Beutel Goodman retains these approvals in its files. In support of the process, the firm subscribes to the proxy voting services of Glass Lewis who provide a detailed analysis and comprehensive report of all proxy-voting issues. Glass Lewis' guidelines are generally developed in the best economic interests of its clients. As well as their voting guidelines, Glass Lewis provides a detailed analysis of each meeting on an item-by-item basis. While we use the proxy voting services as research and consider their recommendations, we form our own views on all proxy items and vote accordingly.

All upcoming proxies are reviewed regularly and votes are cast on the Glass Lewis platform by the deadline. This is typically 2 to 3 weeks before the meeting date. Glass Lewis executes the voting of all of Beutel Goodman's ballots as well as providing detailed proxy reporting.

For international securities, there may be different proxy voting considerations because of share blocking or re-registration rules in other jurisdictions. Beutel Goodman may choose a "do not vote" option in such cases rather than have securities blocked for sale for the period until a vote. BG will always act in the best interest of its clients.

All voting decisions are authorized by the equity department head(s). For any special proposals the specific company analyst is consulted before a decision is finalized.