For Institutional Investors and Professional Clients Only
For Marketing Purposes

LARGE-CAP SUSTAINABLE VALUE REVIEW AND OUTLOOK

Fourth Quarter and Calendar Year 2023

The Brown Advisory Large-Cap Sustainable Value strategy outperformed its benchmark, the Russell 1000® Value Index, during the fourth quarter and the full year.

Looking back it wasn't a quarter (or year) without its fair share of volatility. The market sell off that began in August only accelerated in October as the combination of higher oil prices and higher interest rates weighed on sentiment and growth expectations. That quickly reversed in early November after the Fed meeting hinted at the end of rate cuts and the potential for multiple rate cuts in 2024. This drove a sizable rally across a variety of asset classes into year end as the perceived "risk trade" was back on. In typical fashion of these kinds of rallies, "lower quality" names led the way with non-earners in the Russell 1000 Value Index up over 15% in the month of December and 25% in the fourth quarter alone. Those names with the highest balance sheet leverage also materially outperformed the benchmark in the fourth quarter. This also manifested itself in a widening out of returns between growth and value indices in the fourth quarter after similar third quarter performance. For the full year, the delta between the returns of the Russell 1000® Growth Index (R1G) and the Russell 1000® Value Index (R1V) closed at over 30% (43% for the R1G and 11.5% for the R1V). Large cap stocks outperformed small caps by nearly 10% for the full year as well.

In a complete reversal from the third quarter, energy was the only sector within the benchmark and the portfolio that posted a negative absolute return during the quarter (energy was the only positive sector in 3Q23). Oil prices corrected over 20% during the three-month period, pressuring the entire group. Despite our underweight to the sector, the strategy's holdings underperformed the Index and were a headwind to performance. Communications Services was another area of underperformance as Comcast (CMCSA) shares pulled back slightly after a strong first three quarters of the year. Finally, technology was a detractor during the period mainly driven by Cisco's (CSCO) underperformance following its underwhelming forward guidance.

Industrials, materials, and consumer discretionary were all sources of positive performance during the quarter and we were pleased that strong stock selection drove the majority of the upside. We believe names such as Ferguson (FERG), and CRH Public Limited (CRH) continue to execute well and allocate capital in a balanced and prudent manner. Expedia (EXPE) was the standout in consumer discretionary as the efforts of the company's multi year restructuring are beginning to bear fruit.

For the full year relative performance was strong across most sectors but negative performance was most concentrated in financials and health care. Within financial services, our investments in Fidelity National Information Services (FIS), Truist (TFC) and Charles Schwab (SCHW) drove the underperformance. While we decided to exit the latter two names during the year, we used the weakness in FIS to add to our position. Health Care ended up being the second worst performing sector for the Index (behind utilities) and the worst performing sector for the strategy on an absolute basis. Our underperformance during the year was largely driven by CVS Health (CVS) and Bio-Rad Laboratories (BIO). Industrials and Utilities were our strongest performing sectors driven by our investments in Ferguson, Trane, Lincoln Electric (LECO), Masco (MAS) and Constellation Energy (CEG). Technology and materials were also sources of upside for the full year driven by stock selection, especially in the materials space.

Activity was strong in the second half of the year and we remain pleased with continued buildout of our pipeline of potential new investments. During the fourth quarter we exited one investment and made two new investments in companies that have undergone significant transformations over the last few years, but we believe are still underappreciated by the market. Within financial services we eliminated our position in Charles Schwab to fund our new investment in American International Group, Inc. (AIG). In the case of Charles Schwab our increasing concerns around capital discipline and financial flexibility drove us to exit the position and reallocate that capital into what we view as a better long term upside profile in AIG. AIG has been on a multi-year business transformation to simplify and restructure what was a very complex and less focused business prior. We like the company's renewed underwriting discipline instilled by the current management team, its large "self help" opportunity on expenses, significant excess capital position leading to accelerating capital returns through buybacks and dividends, and attritive valuation (<1x book value (BV)). Our investment in Dell Technologies (DELL) was somewhat similar in that DELL has also gone under a multi year simplification process and is currently hitting a capital inflection point that we think is underappreciated by the market. DELL has been a consistent market share gainer and free cash flow generator over the last decade and we find the current valuation of >9% free cash flow (FCF) yield very attractive. For the full calendar year we made 7 new investments and exited 4.

We continue to believe that a portfolio of companies that generate consistent high levels of free cash flow, possess a Sustainable Cash Flow Advantage (SCFA), exhibit capital discipline, and trade at attractive valuations will lead to compelling risk adjusted returns over the long term while providing a margin of safety for our investors.

SECTOR DIVERSIFICATION

Fourth Quarter 2023

- Our weighting in financial services increased during the period due to the addition of American International Group, Inc. (AIG). Despite the new addition, we are still underweight financials as a whole and it remains our largest underweight vs our benchmark.
- Our weighting in materials and energy both moved on the back of underlying stock performance. Our energy positions came under pressure during the quarter (the only sector with negative absolute performance), lowering our overall weighting, while CRH's strong fourth quarter performance increased our overall materials exposure.
- We remain overweight in communication services, information technology, consumer discretionary and health care. We are underweight financials, real estate, consumer staples, utilities and energy.

SECTOR	REPRESENTATIVE LARGE-CAP SUSTAINABLE VALUE ACCOUNT (%)	RUSSELL 1000® VALUE INDEX (%)	DIFFERENCE (%)	REPRESENTATIVE LARGE-CAP SUSTAINABLE VALUE ACCOUNT (%)	
	Q4'23	Q4'23	Q4'23	Q3 '23	Q4'22
Communication Services	11.51	4.68	6.83	12.04	11.96
Consumer Discretionary	7.01	5.16	1.85	6.38	7.87
Consumer Staples	5.46	7.85	-2.39	6.07	5.20
Energy	6.10	7.76	-1.65	7.62	7.22
Financials	17.28	21.81	-4.54	16.08	16.69
Health Care	16.11	14.60	1.51	16.37	18.84
Industrials	14.17	13.86	0.32	13.88	12.54
Information Technology	12.61	9.55	3.06	12.50	14.30
Materials	4.04	4.86	-0.82	3.51	--
Real Estate	1.77	5.05	-3.28	1.54	1.83
Utilities	3.92	4.83	-0.91	4.02	3.55

QUARTER-TO-DATE ATTRIBUTION DETAIL BY SECTOR

Fourth Quarter 2023

	REPRESENTATIVE LARGE-CAP SUSTAINABLE VALUE ACCOUNT		RUSSELL 1000® VALUE INDEX		ATTRIBUTION ANALYSIS		
SECTOR	AVERAGE WEIGHT (%)	RETURN (%)	AVERAGE WEIGHT (%)	RETURN (%)	ALLOCATION EFFECT (%)	SELECTION & INTERACTION EFFECT (%)	TOTAL EFFECT (%)
Communication Services	11.83	7.42	4.85	10.83	0.11	-0.42	-0.31
Consumer Discretionary	6.80	23.73	4.94	13.74	0.10	0.61	0.71
Consumer Staples	5.94	1.84	8.21	2.71	0.17	-0.08	0.09
Energy	6.81	-14.05	8.55	-6.93	0.32	-0.62	-0.30
Financials	16.63	17.62	21.19	15.66	-0.28	0.34	0.06
Health Care	16.41	5.70	14.91	4.51	-0.09	0.21	0.12
Industrials	14.01	19.07	13.52	13.76	0.02	0.70	0.72
Information Technology	11.96	9.30	9.22	14.10	0.14	-0.55	-0.42
Materials	3.79	26.88	4.84	9.06	0.01	0.63	0.63
Real Estate	1.59	26.04	4.79	17.17	-0.24	0.14	-0.10
Utilities	4.23	7.43	4.97	8.55	0.02	-0.06	-0.04
Total	**100.00**	**10.66**	**100.00**	**9.50**	**0.28**	**0.89**	**1.17**

Source: FactSet. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. The portfolio information provided is based on a representative Large-Cap Sustainable Value account and is provided as Supplemental Information. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Sector attribution is gross of fees and excludes cash and cash equivalents. Attribution Analysis shown is calculated on a gross of fees basis. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

CALENDAR YEAR ATTRIBUTION DETAIL BY SECTOR

Representative Large-Cap Sustainable Value Account as of 12/31/2023

	REPRESENTATIVE LARGE-CAP SUSTAINABLE VALUE ACCOUNT		RUSSELL 1000® VALUE INDEX		ATTRIBUTION ANALYSIS		
SECTOR	AVERAGE WEIGHT (%)	RETURN (%)	AVERAGE WEIGHT (%)	RETURN (%)	ALLOCATION EFFECT (%)	SELECTION & INTERACTION EFFECT (%)	TOTAL EFFECT (%)
Communication Services	12.23	25.47	6.60	41.65	1.29	-1.83	-0.54
Consumer Discretionary	6.87	24.80	5.46	16.82	0.08	0.50	0.59
Consumer Staples	5.79	0.38	7.92	-1.41	0.36	0.14	0.50
Energy	7.06	-0.31	8.24	-1.03	0.34	-0.03	0.31
Financials	17.82	9.26	20.84	14.95	-0.21	-1.08	-1.29
Health Care	17.40	-7.29	15.80	-5.17	-0.20	-0.46	-0.66
Industrials	13.78	44.55	12.13	21.33	0.21	2.69	2.90
Information Technology	11.68	36.84	8.37	36.15	0.84	0.11	0.95
Materials	1.83	29.28	4.62	10.74	0.01	0.74	0.75
Real Estate	1.78	21.08	4.74	12.61	-0.07	0.21	0.14
Utilities	3.78	37.37	5.27	-7.13	0.37	1.70	2.07
[Unassigned]	0.00	0.00	0.02	-18.81	0.00	0.00	0.00
Total	**100.00**	**17.18**	**100.00**	**11.46**	**3.02**	**2.70**	**5.72**

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QUARTER-TO-DATE TOP FIVE CONTRIBUTORS TO RETURN

Brown ADVISORY Thoughtful Investing.

Fourth Quarter 2023 Representative Large-Cap Sustainable Value Account Top Five Contributors

	NAME	DESCRIPTION	AVERAGE WEIGHT (%)	RETURN (%)	CONTRIBUTION TO RETURN (%)
CRH	CRH public limited company	Produces and supplies cement, ready-mix concrete and aggregates	3.79	26.88	1.00
EXPE	Expedia Group, Inc.	Provides online travel services	1.91	47.32	0.84
BAC	Bank of America Corp	Operates as a bank holding company whose subsidiaries provides banking and non-bank financial services	3.59	23.84	0.83
FERG	Ferguson Plc	Distributes plumbing and heating products	4.69	17.93	0.83
TT	Trane Technologies plc	Provides climate control and HVAC systems	3.27	20.61	0.71

- CRH (CRH) performed well in the period after providing a favorable interim 3Q update in November in addition to announcing two significant M&A transactions in a 24-hour time period. CRH announced the acquisition of MLM's central TX cement plant and ready-mix assets for $2.1bn which only further strengthens the company's #1 position in the state and should bring significant synergy opportunities. The following day the company announced the divestiture of its European Lime business for $1.1bn at an attractive multiple. These transactions only further shift CRH's growth and EBITDA to the US market while maintaining plenty of balance sheet flexibility to continue its strong capital returns to shareholders.
- Expedia (EXPE) posted a strong 3Q with sales and profitability ahead of consensus expectations and we believe, importantly, showed evidence that the turnaround is bearing fruit. Since COVID, Expedia has undergone a large tech platform consolidation while reducing structural costs in the hope to compete better and show margin and third quarter results showed the initial benefits of this restructuring. The stock also benefitted from an activist taking a position in the quarter.
- Bank of America (BAC) reported a solid quarterly update in 3Q23 relative to cautious expectations. The updates for net interest income, credit, expenses, capital, and returns were all incrementally positive. Credit performance remains benign though on a visible path to normalization, especially consumer card. We believe expenses remain in check driven by continued operational efficiencies and capital discipline. While the firm’s securities portfolio remains somewhat of an overhang in the near term, in our view, the pullback in interest rates during the quarter provided relief and drove the stock higher in the period.
- We believe Ferguson Plc (FERG) is executing well in a difficult environment, especially against an excellent prior year. While residential markets (especially new construction) are soft, they appear to be stabilizing, and non-residential construction continues to grow slowly (office/retail weakness offset by commercial/industrial strength). Management continues to allocate capital well, with balance across organic investment, M&A, and return of capital to shareholders.
- Trane Technologies (TT) reported strong third quarter results, continuing its trends from the first half of the year. The business has proven resilient, especially in its core commercial HVAC division, with above average backlog supporting growth in the midst of normalizing orders and softer residential HVAC markets. TT continues to display its relentless focus on cost discipline, driving high incremental margins and free cash flow generation.

CALENDAR YEAR TOP FIVE CONTRIBUTORS TO RETURN

Brown ADVISORY Thoughtful Investing.

Representative Large-Cap Sustainable Value Account Top Five Contributors as of 12/31/2023

	NAME	DESCRIPTION	AVERAGE WEIGHT (%)	RETURN (%)	CONTRIBUTION TO RETURN (%)
FERG	Ferguson Plc	Distributes plumbing and heating products	4.49	55.04	2.21
CEG	Constellation Energy Corporation	Provides electrical utility services	3.78	37.37	1.50
GOOG	Alphabet Inc. Class C	Operates as a holding company with interests in software, health care, transportation and other technologies	2.47	58.87	1.45
TT	Trane Technologies plc	Provides climate control and HVAC systems	3.15	46.74	1.32
KKR	KKR & Co Inc	Provides alternative asset management, capital market, retirement and life insurance services	2.04	80.24	1.24

- Ferguson Plc (FERG) executed well in a mixed macro environment for its markets. The company continues to invest in its business, take share, protect profitability, generate attractive FCF, and deploy capital responsibly.
- Constellation Energy Corporation (CEG) had a strong 2023 on the back of improved performance of their commercial business driven by market volatility as well as favorable operating results and pricing in their core Nuclear & Gas fleets. We believe CEG also demonstrated strong capital allocation through a down-the-fairway acquisition of a nuclear power plant in Texas.
- Alphabet Inc. (GOOG) shares rebounded nicely after the initial sell off from the MSFT/ChatGPT announcements at the beginning of 2023. In our view, the market became overly concerned that Google was falling behind on AI, yet as the year went on the combination of strong results and capital returns to shareholders from the core business in addition to increased comfort around the company’s long term AI plans, the stock was able to recover.
- Trane Technologies’ (TT) management has executed very well, in our view. Although orders are normalizing and residential markets have been mixed, TT is driving growth, profitability, and FCF through its core commercial HVAC business. We continue to like the stability of the company’s applied commercial HVAC service business(1/3 of total revenues) and the company’s leading position in improving the energy efficiency of buildings through its HVAC solutions.
- KKR & Co’s (KKR) strong performance was driven by a number of factors throughout the year. The first is that gross inflows into the business totaled almost $40bn in the first nine months of 2023, driving strong fee related earnings growth through the third quarter. The second is that the company continues to remain constructive in regards to their flagship fundraising cycle, which is expected to commence in 2024. And the third is related to the Strategic Update KKR announced in the fourth quarter, which included the 1) the acquisition of the remaining stake in Global Atlantic for $2.7bn in cash (increasing ownership from 63% to 100%), 2) the creation of a new Strategic Holdings segment and 3) a modification of compensation ratios to be more performance-based.

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QUARTER-TO-DATE BOTTOM FIVE CONTRIBUTORS TO RETURN

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Fourth Quarter 2023 Representative Large-Cap Sustainable Value Account Bottom Five Contributors

	NAME	DESCRIPTION	AVERAGE WEIGHT (%)	RETURN (%)	CONTRIBUTION TO RETURN (%)
CHX	ChampionX Corporation	Produces chemicals and equipment for oil & gas drilling industries	3.11	-17.76	-0.74
SLB	Schlumberger N.V.	Designs and constructs wells and manufactures surface & midstream production systems	3.70	-10.66	-0.51
BIO	Bio-Rad Laboratories, Inc. Class A	Manufactures and distributes life science research products & clinical diagnostics	1.62	-9.92	-0.24
CSCO	Cisco Systems, Inc.	Designs, manufactures and sells internet protocol based networking products	2.83	-5.18	-0.21
SCHW	Charles Schwab Corp	Provides securities brokerage and other financial services	0.04	-6.97	-0.09

- ChampionX Corporation (CHX) reported disappointing 3Q results and 4Q guidance early in the period in the face of increased investor expectations around the offshore investment cycle. As the quarter progressed, concerns around the global oil supply grew larger, further pressuring energy names.
- Despite reporting solid third quarter results and issuing a favorable initial outlook for 2024, Schlumberger N.V. (SLB) sold off with the rest of the energy space in the quarter and oil prices corrected on the back of increased concerns over global oil supply.
- Bio-Rad Laboratories (BIO) underperformed on comments from company and peers that suggested that the life science tools industry is facing more pronounced headwinds from tighter spending and inventory destocking by company's customers. Additionally, we believe departure of company's CFO increased risks around execution of company's cost cutting plans.
- Cisco Systems, Inc.(CSCO) traded off after reporting weak order growth and issuing disappointing forward guidance on its recent earnings report. We believe the sizable miss relative to expectations was being driven by excess inventory positions at some of its larger customers that will take time to work through.
- Charles Schwab (SCHW) reported incrementally improved results in 3Q23, however, remains in the penalty box for their balance sheet management. The company mismanaged their balance sheet from an asset-liability duration perspective that has sacrificed material earnings over the following few years and limited the firm's financial flexibility, in our view.

CALENDAR YEAR BOTTOM FIVE CONTRIBUTORS TO RETURN

Representative Large-Cap Sustainable Value Account Bottom Five Contributors as of 12/31/2023

	NAME	DESCRIPTION	AVERAGE WEIGHT (%)	RETURN (%)	CONTRIBUTION TO RETURN (%)
BIO	Bio-Rad Laboratories, Inc. Class A	Manufactures and distributes life science research products & clinical diagnostics	1.69	-31.80	-0.94
CVS	CVS Health Corporation	Operates as an integrated pharmacy health care provider	1.04	-25.42	-0.91
SCHW	Charles Schwab Corp	Provides securities brokerage and other financial services	1.08	-37.88	-0.83
TFC	Truist Financial Corporation	Operates as a bank holding company	0.88	-19.65	-0.45
FIS	Fidelity National Information Services, Inc.	Develops banking and payments technology software	3.76	-7.79	-0.35

- Bio-Rad Laboratories (BIO) underperformed as results throughout the year demonstrated that the life science tools industry downturn has yet to bottom. We believe both BIO and the industry are facing continued headwinds from tighter spending and inventory destocking by company's customers. The surprise departure of the company's CFO later in the year also weighed on sentiment.
- CVS Health Corporation (CVS) closed on a pair of sizable deals in 2023 that while strategic in nature, came at very high multiples. This forced the company to lower its near-term guidance due to expected earnings dilution and incremental borrowing costs. With the incremental debt leverage on the balance sheet, lower earnings guidance, and increased execution risk around the integration of the deals, the shares underperformed as a result.
- Charles Schwab (SCHW) underperformed this year due to its operational missteps in the face of rising interest rates. In our view the company mismanaged their balance sheet from an asset-liability duration perspective that has sacrificed material earnings over the following few years and limited the firm's financial flexibility.
- Truist Financial Corporation (TFC) shares underperformed as broader sectors concerns weighed on regional banks coming out of the March banking crisis. In our view, the quickly changing interest rate environment and regulatory landscape heightened concerns around capital levels for the group. While the environment was no doubt difficult, we were disappointed to see Truist raise its expense guidance twice in and many quarters to start the year. With the integration of the 2019 merger of BB&T and SunTrust supposedly complete at the end of 2022, we expected much better operating leverage coming into 2023. With our thesis violated we chose to exit the position as a result.
- Fidelity National Information Services (FIS) underperformed during the period as the market became concerned that the bank crisis from March would lead to lower overall technology spend from the banks as the industry dealt heightened capital requirements and deposit uncertainty. FIS was also in the middle of a corporate restructuring that involved the sale of a majority stake of WorldPay, which itself was viewed skeptically by investors as competitors faced abnormal switching pressures due to the macroeconomic environment. However, we view management's recent corporate actions favorably and believe that the returned focus to its core bank and capital markets processing segments should drive a more simplified and defensive business model going forward.

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QUARTER-TO-DATE ADDITIONS/DELETIONS

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Fourth Quarter 2023 Representative Large-Cap Sustainable Value Account Portfolio Activity

- American International Group (AIG) is nearing the tail end of a multi-year business simplification/ transformation that we believe is still being overlooked by investors. With a new executive team, we believe the company has laid out a credible path to becoming a leading, simplified, pure-play commercial property and casualty insurance carrier. In our view, this business inflection point will be realized over the coming two-to-three years as the company executes on 1) improved, sustained underwriting profitability 2) a simpler, leaner business model with lower expenses 3) operational separation from its life insurance division “Corebridge” and 4) material excess capital return (current buyback authorization of $7.5bn or nearly 20% of the market cap). We find it particularly attractive that AIG remains mostly a “self-help” story and the ability to hit many of these targets are within management’s control. AIG is a leader in the US for emissions reduction based on its decision to include indirect (inclusive of underwriting and investing) emissions in its Net Zero Commitment. As the cost and complexity of insurance only increases further overtime, AIG’s size, geographic breadth, and disciplined underwriting could allow it to become a partner of choice for its customers. Ultimately, we believe the equity’s current valuation (<1x book value (BV)) and excess capital position provides a margin for safety for execution and the potential to re-rate higher over the long term.

- Dell Technologies, Inc. (DELL) presents us with the opportunity to buy the leading end to end hardware technology company that has undergone a significant transformation over the last few years and is hitting a capital allocation inflection point. The initial size and complexity of the 2016 EMC deal as well as DELL's sizable debt load (peaking at over $50bn in 2017) had been long term overhangs on the stock and weighted on valuation. However, after numerous divestitures and consistent FCF generation not only has the business been simplified, but the balance sheet has been fixed to a point where debt paydown is no longer the top priority. We think the market is somewhat under appreciating the job DELL's management team has done in simplifying the business over the last few years and that the company's new long term growth algorithm and capital allocation framework that has the potential to re-rate the stock higher. DELL’s sustainable cash flow advantage is centered around its industry leading human capital management, global supply chain/recycling efforts (2 billion pounds of electronic equipment diverted from landfills), and breadth of energy efficient products. At our time of purchase DELL was trading at a 9.5% FCF yield with just 0.8x of trailing twelve-month (TTM) net leverage on its balance sheet.

SYMBOL	ADDITIONS	SECTOR
AIG	American International Group, Inc.	Financials
DELL	Dell Technologies, Inc. Class C	Information Technology
SYMBOL	**DELETIONS**	**SECTOR**
SCHW	Charles Schwab Corp	Financials

- We sold of our position in Charles Schwab (SCHW) during the fourth quarter due to the company’s mis-management of its balance sheet and ensuing lack of financial flexibility as a result. We believe this lack of capital discipline significantly altered the company’s shareholder return profile going forward and was a thesis violation for us. We used the proceeds to fund our new position in AIG which trades at a much lower valuation, has a better capital return profile, and, in our view, better long-term upside.

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CALENDAR YEAR ADDITIONS/DELETIONS

Representative Large-Cap Sustainable Value Account Portfolio Activity as of 12/31/2023

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SYMBOL	ADDITIONS	SECTOR
AIG	American International Group, Inc.	Financials
BIO	Bio-Rad Laboratories, Inc. Class A	Health Care
CRH	CRH public limited company	Materials
DELL	Dell Technologies, Inc. Class C	Information Technology
KVUE	Kenvue, Inc.	Consumer Staples
LH	Laboratory Corporation of America Holdings	Health Care
SNX	TD SYNNEX Corporation	Information Technology

SYMBOL	DELETIONS	SECTOR
SCHW	Charles Schwab Corp	Financials
CVS	CVS Health Corporation	Health Care
TGT	Target Corporation	Consumer Staples
TFC	Truist Financial Corporation	Financials

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CALENDAR YEAR ADDITIONS/DELETIONS

Representative Large-Cap Sustainable Value Account Portfolio Activity as of 12/31/2023

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SYMBOL	ADDITIONS & DELETIONS	SECTOR
ACN	Accenture Plc Class A	Information Technology
AMT	American Tower Corporation	Real Estate
ADI	Analog Devices, Inc.	Information Technology
CARR	Carrier Global Corp.	Industrials
CB	Chubb Limited	Financials
CCOI	Cogent Communications Holdings Inc	Communication Services
CMI	Cummins Inc.	Industrials
D	Dominion Energy Inc	Utilities
DOW	Dow, Inc.	Materials
EBC	Eastern Bankshares, Inc.	Financials
HASI	Hannon Armstrong Sustainable Infrastructure Capital, Inc.	Financials
HD	Home Depot, Inc.	Consumer Discretionary
LIN	Linde plc	Materials
MA	Mastercard Incorporated Class A	Financials
NVS	Novartis AG Sponsored ADR	Health Care
PG	Procter & Gamble Company	Consumer Staples
SBUX	Starbucks Corporation	Consumer Discretionary
TSM	Taiwan Semiconductor Manufacturing Co., Ltd. Sponsored ADR	Information Technology
UPS	United Parcel Service, Inc. Class B	Industrials
UNH	UnitedHealth Group Incorporated	Health Care
WPC	W. P. Carey Inc.	Real Estate

Source: FactSet. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. The portfolio information provided is based on a representative Large-Cap Sustainable Value account and is provided as Supplemental Information. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

PORTFOLIO CHARACTERISTICS

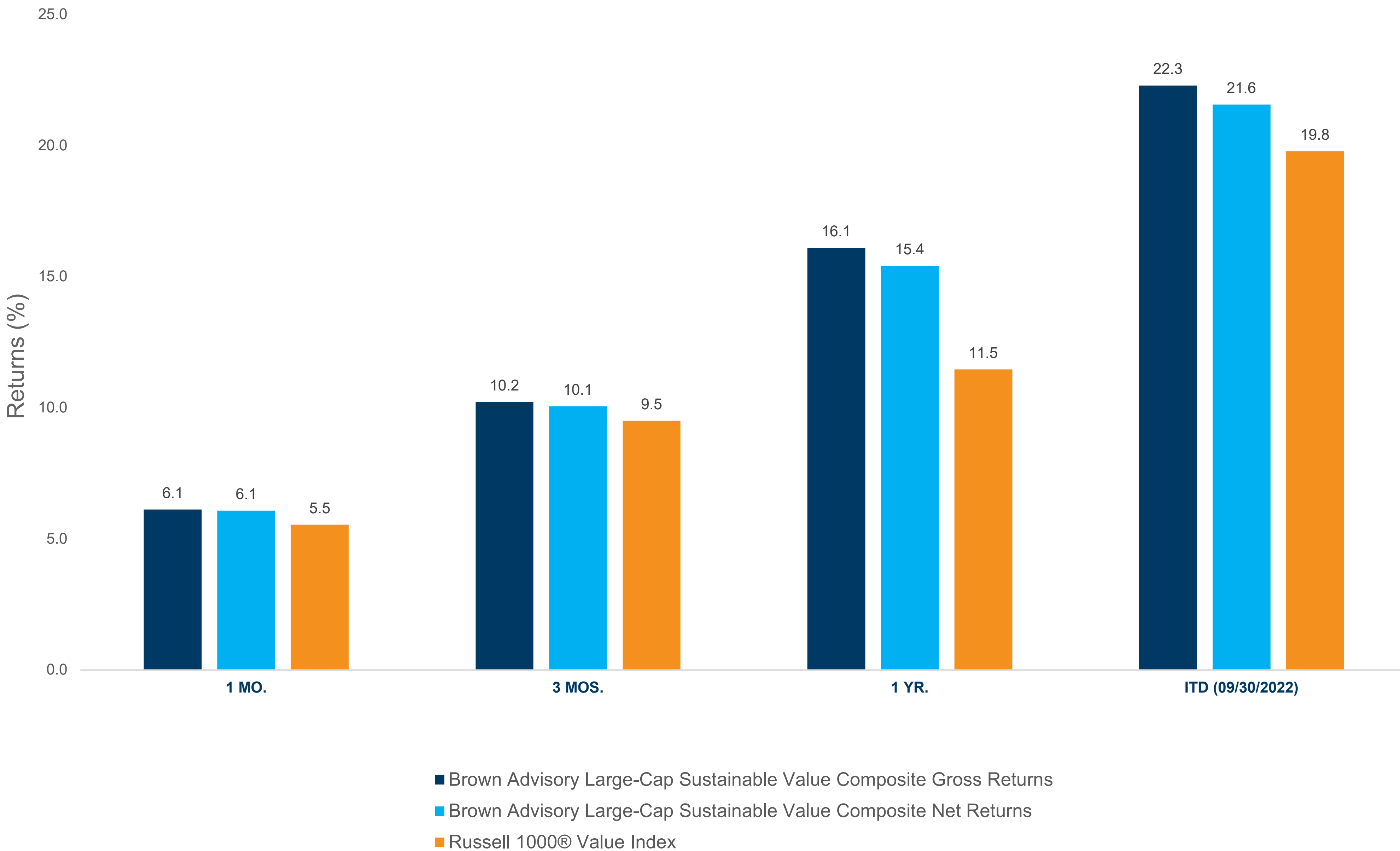
Fourth Quarter 2023

	REPRESENTATIVE LARGE-CAP SUSTAINABLE VALUE ACCOUNT	RUSSELL 1000® VALUE INDEX
Number of Holdings	42	849
Market Capitalization ($ B)		
Weighted Average	111.8	139.0
Weighted Median	50.4	74.1
Maximum	1,767.4	773.4
Minimum	5.4	0.3
EV/FCF (FY2 Est) (x)	18.0	28.6
Dividend Yield (%)	1.8	2.3
Top 10 Equity Holdings (%)	38.3	16.6

Source: FactSet. The portfolio information provided is based on a representative Large-Cap Sustainable Value account and is provided as Supplemental Information. Portfolio characteristics exclude cash and cash equivalents with the exception of Top 10 portfolio holdings. Top 10 portfolio holdings include cash and equivalents which was 4.2% as of 12/31/2023. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

COMPOSITE PERFORMANCE

Fourth Quarter 2023 as of 12/31/2023



Source FactSet. All returns greater than one year are annualized. Past performance is not indicative of future results. The composite performance shown above reflects the Large-Cap Sustainable Value Composite, managed by Brown Advisory Institutional. Brown Advisory Institutional is a GIPS compliant firm and is a division of Brown Advisory LLC. Please see the Brown Advisory Large-Cap Sustainable Value Composite GIPS Report at the end of this presentation.

TOP 10 PORTFOLIO HOLDINGS

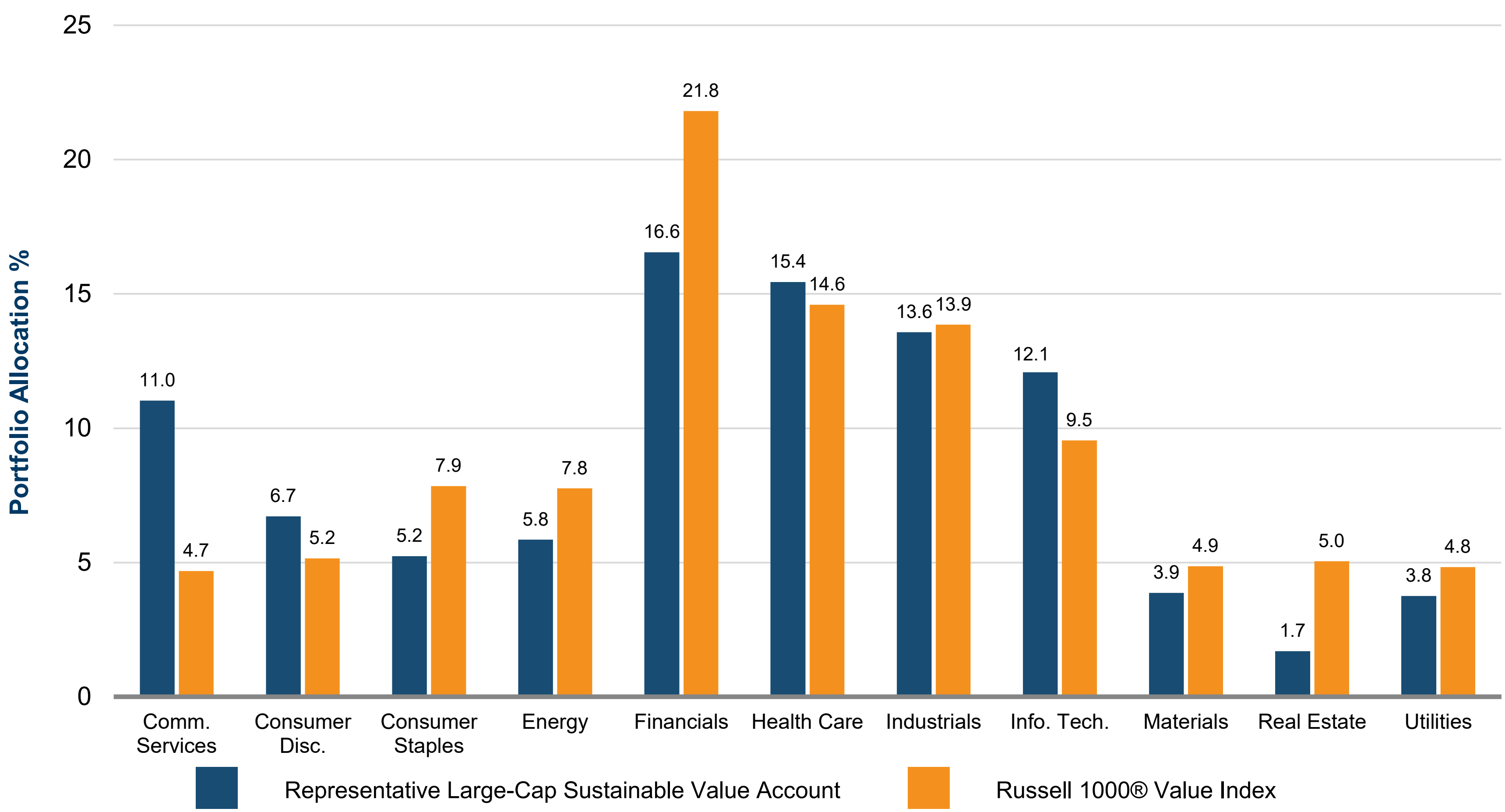
Representative Large-Cap Sustainable Value Account as of 12/31/2023

TOP 10 HOLDINGS	% OF PORTFOLIO
Ferguson Plc	4.8
T-Mobile US, Inc.	4.0
CRH public limited company	3.9
Comcast Corporation Class A	3.9
Constellation Energy Corporation	3.8
Fidelity National Information Services, Inc.	3.7
Bank of America Corp	3.5
Unilever PLC Sponsored ADR	3.5
Wyndham Hotels & Resorts, Inc.	3.2
Schlumberger N.V.	3.1
Total	**37.3**

Source: FactSet. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. Portfolio information is based on a representative Large-Cap Sustainable Value account and is provided as Supplemental Information. Top 10 portfolio holdings include cash and equivalents which was 4.2% as of 12/31/2023. Figures in chart may not total due to rounding. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

SECTOR DIVERSIFICATION

Fourth Quarter 2023 Global Industry Classification Standard (GICS) as of 12/31/2023



Source: FactSet. The portfolio information provided is based on a representative Large-Cap Sustainable Value account and is provided as Supplemental Information. Sector diversification excludes cash and cash equivalents. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

DISCLOSURES

The views expressed are those of the author and Brown Advisory as of the date referenced and are subject to change at any time based on market or other conditions. These views are not intended to be and should not be relied upon as investment advice and are not intended to be a forecast of future events or a guarantee of future results. Past performance is not a guarantee of future performance and you may not get back the amount invested. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. To the extent specific securities are mentioned, they have been selected by the author on an objective basis to illustrate views expressed in the commentary and do not represent all of the securities purchased, sold or recommended for advisory clients. The information contained herein has been prepared from sources believed reliable but is not guaranteed by us as to its timeliness or accuracy, and is not a complete summary or statement of all available data. This piece is intended solely for our clients and prospective clients, is for informational purposes only, and is not individually tailored for or directed to any particular client or prospective client.

Sustainable investment considerations are one of multiple informational inputs into the investment process, alongside data on traditional financial factors, and so are not the sole driver of decision-making. Sustainable investment analysis may not be performed for every holding in the strategy. Sustainable investment considerations that are material will vary by investment style, sector/industry, market trends and client objectives. The strategy seeks to identify companies that it believes may be desirable based on our analysis of sustainable investment related risks and opportunities, but investors may differ in their views. As a result, the Strategy may invest in companies that do not reflect the beliefs and values of any particular investor. The Strategy may also invest in companies that would otherwise be excluded from other funds that focus on sustainable investment risks. Security selection will be impacted by the combined focus on sustainable investment research assessments and fundamental research assessments including the return forecasts. The Strategy incorporates data from third parties in its research process but does not make investment decisions based on third-party data alone.

The Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected and historical growth rates. The Russell 1000® Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. The Russell 1000® Value Index and Russell® are trademarks/service marks of the London Stock Exchange Group companies. An investor cannot invest directly into an index. Benchmark returns are not covered by the report of the independent verifiers.

The Russell 1000® Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The Index is completely reconstituted annually to ensure that new and growing equities are included and that the represented companies continue to reflect growth characteristics. Russell® and the Russell 1000® Growth Index are trademark/service marks of The London Exchange Companies. An investor cannot invest directly into an index.

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

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

TERMS AND DEFINITIONS

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

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

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

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

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

Free Cash Flow (FCF) is a measure of financial performance calculated as operating cash flow minus capital expenditures. Free cash flow (FCF) represents the cash that a company is able to generate after laying out the money required to maintain or expand its asset base. Free cash flow is important because it allows a company to pursue opportunities that enhance shareholder value. Without cash, it's tough to develop new products, make acquisitions, pay dividends and reduce debt.

EBITDA, or earnings before interest, taxes, depreciation, and amortization, is a measure of a company's overall financial performance and is sometimes used as an alternative to net income.

Free Cash Flow Yield measures how much cash flow the company has in case of its liquidation or other obligations by comparing the free cash flow per share with the market price per share and indicates the level of cash flow the company will earn against its share market value.

Market Capitalization refers to the aggregate value of a company’s publicly traded stock. Statistics are calculated as follows: Weighted Average: the average of each holding’s market cap, weighted by its relative position size in the portfolio (in such a weighting scheme, larger positions have a greater influence on the calculation); Weighted Median: the value at which half the portfolio's market capitalization weight falls above and half falls below; Maximum and Minimum: the market caps of the largest and smallest companies, respectively, in the portfolio.

Enterprise Value/Free Cash Flow (EV/FCF) is the enterprise value of a company (defined as market value plus debt minus cash and minority interests) divided by its free cash flow (defined as operating cash flow minus net capital expenditure). EV/FCF calculations presented use FY2 earnings estimates; FY1 estimates refer to the next unreported fiscal year, and FY2 estimates refer to the fiscal year following FY1.

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

The **EV/EBITDA** multiple is a financial valuation ratio that measures a company's return on investment (ROI). The **EV/EBITDA ratio** may be preferred over other measures of return because it is normalized for differences between companies. Using EBITDA normalizes for differences in capital structure, taxation, and fixed asset accounting. The enterprise value (EV) also normalizes for difference in a company's capital structure.

Return On Equity (ROE) is the amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. ROE is expressed as a percentage and calculated as: Return on Equity = Net Income/Shareholder's Equity.

Net Debt-to-EBITDA ratio is a measurement of leverage, calculated as a company’s interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA. The ratio shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

All of the above ratios for a portfolio are expressed as a weighted average of the relevant ratios of each portfolio holding.

Brown Advisory

LARGE-CAP SUSTAINABLE VALUE COMPOSITE

Year	Composite Total Gross Returns (%)	Composite Total Net Returns (%)	Benchmark Returns (%)	Composite 3-Yr Annualized Standard Deviation (%)	Benchmark 3-Yr Annualized Standard Deviation (%)	Portfolios in Composite at End of Year	Composite Dispersion (%)	Composite Assets ($USD Millions)*	GIPS Firm Assets ($USD Millions)*
2022**	10.8	10.6	N/A	N/A	N/A	Fiver or fewer	N/A	11	58,575

**Return is for period October 1, 2022 through December 31, 2022.

Brown Advisory Institutional claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Brown Advisory Institutional has been independently verified for the periods from January 1, 1993 through December 31, 2022. The Verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

1. *For the purpose of complying with the GIPS standards, the firm is defined as Brown Advisory Institutional, the Institutional and Balanced Institutional asset management divisions of Brown Advisory. As of July 1, 2016, the firm was redefined to exclude the Brown Advisory Private Client division, due to an evolution of the three distinct business lines.
2. The Large-Cap Sustainable Value Composite (the Composite) includes all discretionary portfolios invested in the Large-Cap Sustainable Value strategy. The Large-Cap Sustainable Value strategy aims to invest in the equity securities of high-quality large-sized companies that have attractive and durable free cash flow yields, favorable capital structures, strong capital discipline, and which are listed or traded on the U.S. markets and exchanges. The minimum market value required for Composite inclusion is $1.5 million.
3. Sustainable investment considerations are one of multiple informational inputs into the investment process, alongside data on traditional financial factors, and so are not the sole driver of decision-making. Sustainable investment analysis may not be performed for every holding in the strategy. Sustainable investment considerations that are material will vary by investment style, sector/industry, market trends and client objectives. The Large-Cap Sustainable Value Strategy ("Strategy") seeks to identify companies that it believes may be desirable based on our analysis of sustainable investment related risks and opportunities, but investors may differ in their views. As a result, the Strategy may invest in companies that do not reflect the beliefs and values of any particular investor. The Strategy may also invest in companies that would otherwise be excluded from other strategies that focus on sustainable investment risks. Security selection will be impacted by the combined focus on sustainable investment research assessments and fundamental research assessments including the return forecasts. The Strategy incorporates data from third parties in its research process but does not make investment decisions based on third-party data alone.
4. The Composite creation date is November 30, 2022. The Composite inception date is October 1, 2022.
5. The benchmark is the Russell 1000® Value Index. The Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected and historical growth rates. The Russell 1000® Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. The Russell 1000® Value Index and Russell® are trademarks/service marks of the London Stock Exchange Group companies. An investor cannot invest directly into an index. Benchmark returns are not covered by the report of the independent verifiers.
6. Composite dispersion is an equal-weighted standard deviation of portfolio gross returns calculated for the accounts in the Composite for the entire calendar year period. The composite dispersion is not applicable (N/A) for periods where there were five or fewer accounts in the Composite for the entire period.
7. Gross-of-fees performance returns are presented before management fees but after all trading commissions, and gross of foreign withholding taxes (if applicable). Net-of-fees performance returns are calculated by adjusting the gross-of-fees performance return by the highest fee for the institutional strategy as outlined in Part 2A of the firm's Form ADV, applied on a monthly basis. Certain accounts in the Composite may pay asset-based custody fees that include commissions. For these accounts, gross returns are also net of custody fees. Other expenses can reduce returns to investors. The standard management fee schedule is as follows: 0.60% on the first $25 million; 0.50% on the next $25 million; and 0.40% on the next $50 million. Further information regarding investment advisory fees is described in Part 2A of the firm's Form ADV. Actual fees paid by accounts in the Composite may differ from the current fee schedule.
8. Effective July 1, 2023, the firm transitioned from using actual account fees in the calculation of net performance returns to applying the highest fee for the institutional strategy as outlined in Part 2A of the firm's Form ADV. The net performance track record was revised back to Composite inception.
9. The three-year annualized ex-post standard deviation measures the variability of the Composite (using gross returns) and the benchmark for the 36-month period ended on December 31. The 3 year annualized standard deviation is not presented as of December 31, 2022 because 36 month returns for the Composite were not available (N/A).
10. Valuations and performance returns are computed and stated in U.S. Dollars. All returns reflect the reinvestment of income and other earnings.
11. A complete list of composite descriptions and broad distribution and limited distribution pooled funds is available upon request.
12. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.
13. Past performance is not indicative of future results.
14. This is not an offer to sell securities. That may only be accomplished by the issuance of a private offering memorandum/subscription documents.
15. This piece is provided for informational purposes only and should not be construed as a research report, a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell or hold any of the securities mentioned, including any mutual fund managed by Brown Advisory.