Brown ADVISORY
Thoughtful Investing.

2021

LARGE-CAP SUSTAINABLE GROWTH STRATEGY

IMPACT REPORT

At Brown Advisory, we believe sustainable investing is smart investing.
We leverage decades of experience and a comprehensive array of equity and fixed income investment solutions to help our clients achieve their sustainable investment objectives.

2009

INTEGRATION OF ESG AND FUNDAMENTAL RESEARCH

- Winslow Management Company joined Brown Advisory, bringing 25+ years expertise in ESG investing
- Inception of Brown Advisory's sustainable investing platform, utilizing ESG research as a value-added component of individual security analysis, integrated with fundamental analysis

2010

INCEPTION OF U.S. SUSTAINABLE EQUITY PLATFORM

- Launch of first U.S. sustainable equity strategy: U.S. Large-Cap Sustainable Growth
- Expansion of platform with subsequent strategy launches: U.S. Sustainable Small-Cap Core (2017), U.S. Sustainable Income (2021) and U.S. Social Inclusion (2021)

2014

INCEPTION OF U.S. SUSTAINABLE FIXED INCOME PLATFORM

- Launch of first U.S. sustainable fixed income strategies: U.S. Sustainable Core Fixed Income and U.S. Sustainable Tax-Exempt Fixed Income
- Expansion of platform with launch of U.S. Sustainable Short Duration strategy (2017)

2015

GLOBAL EXPANSION OF SUSTAINABLE EQUITY PLATFORM

- Launch of first global sustainable equity strategy: Global Leaders
- Expansion of platform with launch of Sustainable International Leaders strategy (2021)

2021

GLOBAL EXPANSION OF SUSTAINABLE FIXED INCOME PLATFORM

- Experienced team of three portfolio managers joined Brown Advisory to lead global expansion of sustainable fixed income platform
- Launch of Global Sustainable Total Return Bond strategy (2022)

BROWN ADVISORY SUSTAINABLE INVESTMENT STRATEGIES

	Investment Universe	Inception Month	Portfolio Manager(s)
EQUITIES			
Global Leaders	Global Equity	May 2015	Mick Dillon, Bertie Thomson
U.S. Large-Cap Sustainable Growth	U.S. Large-Cap	Dec. 2009	Karina Funk, David Powell
U.S. Sustainable Income*	***U.S. Large-Cap***	***Sep. 2021***	***Emily Dwyer, Brian Graney***
Sustainable International Leaders*	***Global ex-U.S.***	***Sep. 2021***	***Priyanka Agnihotri***
U.S. Social Inclusion*	***U.S. Large-Cap***	***Oct. 2021***	***Emmy Wachtmeister, George Sakellaris***
U.S. Sustainable Small-Cap Core	U.S. Small-Cap	Jun. 2017	Kenneth Coe, Emily Dwyer, Tim Hathaway
FIXED INCOME			
Global Sustainable Total Return Bond*	***Global Multisector***	***Feb. 2022***	***Chris Diaz, Ryan Myerberg, Colby Stilson***
U.S. Sustainable Core	U.S. Multisector	Sep. 2014	Chris Diaz, Amy Hauter, Colby Stilson
U.S. Sustainable Short Duration	U.S. Short-Duration	Jan. 2017	Amy Hauter, Jason Vlosich
U.S, Tax-Exempt Sustainable	U.S. Municipal	Sep. 2014	Amy Hauter, Stephen Shutz

**Newly launched in 2021-2022*

LETTER OF INTRODUCTION FROM THE PORTFOLIO MANAGERS

At Brown Advisory, we are deeply committed to sustainable investing. We firmly believe that there does not have to be a trade-off between strong performance and smart investments that help address society's trickiest sustainability challenges.

For a number of our sustainable investment strategies, we issue formal reports each year to keep clients informed about how those strategies are generating positive impact. Enclosed is our Impact Report for the Brown Advisory Large-Cap Sustainable Growth strategy.

The report includes a review of our environmental, social and governance (ESG) research and integration approach, and examines how we use the concept of Sustainable Business Advantage (SBA) to identify compelling long-term investments. We also discuss the positive environmental and social outcomes being created by our portfolio companies, and report on our engagement and proxy voting activity during the year (both as an individual stakeholder and in concert with investor coalitions).

We are pleased to report continued progress and advancement of our sustainable investment initiatives at the firm, particularly our work to develop new investment strategies for our clients. We launched several new strategies in the past few years. Within equities, we launched our Sustainable International Leaders strategy using the same philosophy as our Global Leaders strategy while investing exclusively outside the U.S. We also launched the Sustainable Income strategy, emphasizing dividend income, and our new Social Inclusion strategy, which emphasizes companies with strong diversity, equity and inclusion profiles. Finally, we continued to build on the progress we've made with our three-year-old Sustainable Small-Cap Core strategy. In fixed income, we launched our first global bond strategy, the Global Sustainable Total Return Bond strategy, and built it from the ground up as a sustainable solution for clients.

Further, we have continued to build our team and expertise internally, adding several new ESG research analysts while also continuing to push the envelope as far as integrating fundamental and ESG analysis in our investment process.

We thank our ESG research team for its contribution to this report and our work in general. The team works tirelessly to ensure that our investment decisions are informed by solid ESG data and clear insights about how that data may affect a company's prospects. We also thank our fundamental equity research colleagues, and all of our colleagues across the firm, for embracing sustainable investing principles so enthusiastically.

Most importantly, we are deeply grateful to our clients, who trust us as stewards of their capital and serve as our partners as we learn, innovate and improve over time. We believe we have served our clients well over the past 12 years, but there is always more to learn. We hope you find this year's report informative, and we welcome a continuing conversation with you about our work and continuing evolution as investors.

Sincerely,

Karina Funk, CFA
Portfolio Manager

David Powell, CFA
Portfolio Manager

*Brown Advisory entities included are: Brown Advisory LLC, Brown Investment Advisory & Trust Company, Brown Advisory Ltd., and Brown Advisory Trust Company of Delaware, LLC.

INVESTMENT PHILOSOPHY & RESEARCH APPROACH

In managing the Large-Cap Sustainable Growth strategy, we believe we can generate competitive, risk-adjusted returns over a full market cycle through a concentrated portfolio of companies with durable fundamental strengths, sustainable competitive advantages and compelling valuations. The purpose of this report is to talk about the impact being generated by our portfolio companies, so we will not spend a great deal of time discussing how we use fundamental research to identify good investment candidates with attractive return potential. But we want to be clear: Sustainable research is wholly integrated with fundamental due diligence in our process. For more information about our firm's overall approach to sustainable investing in our institutional strategies, please review Brown Advisory's Sustainable Investment Policy.

We believe that some of the most attractive, durable business models available in the large-cap equity universe are those with sustainable drivers at their core. We developed the concept of **Sustainable Business Advantage, or SBA,** to clarify our thinking as we evaluate how sustainability drives a company's **revenue growth**, **cost savings** or **enhanced franchise value**. Every company we own in our portfolio must have identifiable SBA. Clean energy, health and wellness, and other sustainable trends are massive sources of revenue growth for many companies. Efficient operations that reduce the use of energy, water and other resources can lead to considerable cost savings. Companies that lead on ESG practice or help customers solve meaningful environmental or health challenges are often able to greatly enhance their brand or franchise value. And in the end, we see revenue growth, cost savings and enhanced franchise value as the three most important levers that companies can pull to improve their long-term returns to shareholders. While we recognize that there are many ways to view sustainability, we rely on our thorough research to help us understand how a company's sustainability strategies can add to shareholder value through these specific SBA drivers.

We find that our portfolio companies—despite being selected entirely on their investment merits—are also clear generators of positive social and environmental impact in the vast majority of cases. Through their responsible business practices, the examples they set for their peers and the positive outcomes that result from their business activities, we believe that our portfolio companies are producing positive changes in the economy and in society. This is not simply important as a statement of values; we see it as a financial imperative. Government and private capital alone cannot cover the massive costs of addressing global issues like climate change, and we believe that corporations will have to be a big part of that solution.

OBJECTIVES & INVESTMENT PROCESS

The strategy's return objective is to outperform the Russell 1000® Growth Index over a full market cycle.

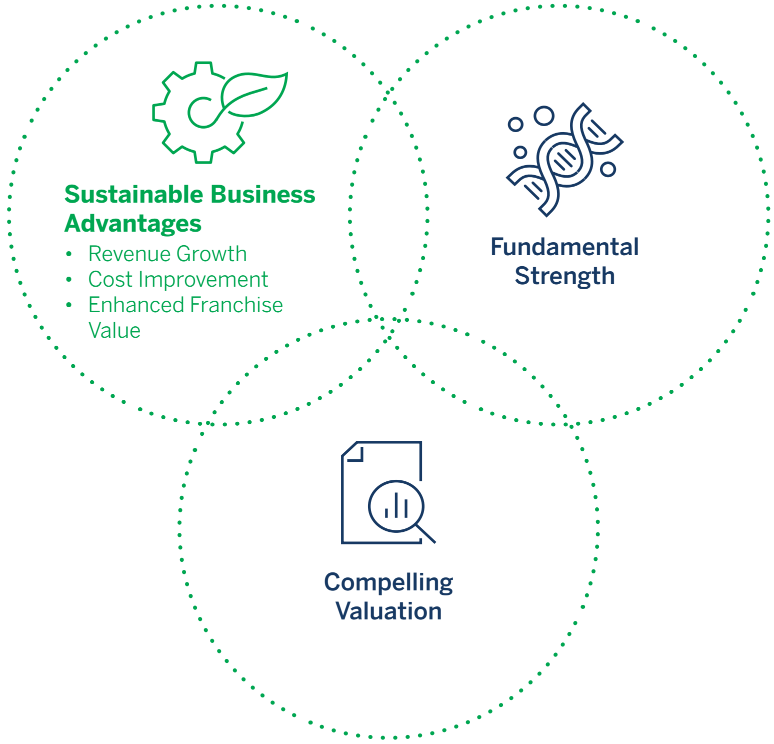
Sustainable research is wholly integrated with fundamental due diligence in our process. All of our ESG research analysts are industry sector specialists, and they spend as much time working closely with their fundamental research counterparts as they do with each other. Today, when we assess a current or prospective holding, it almost always involves four or five (or more) people on our team picking up a company and looking at it from their unique perspective, and then combining their views to offer a comprehensive assessment. In this way, our deep integration of ESG research is simply an expansion of our traditional bottom-up approach to investing.

Within this process, we review companies comprehensively across a spectrum of evaluation factors—some rooted in fundamental analysis, some in ESG research and in many cases both (see diagram on page 5). Our review seeks out a clear understanding of both risk and opportunity:

1. ***ESG Risk Assessment.*** Our analysts identify potentially material ESG risks and assess the company's track record of managing these risks and its ability to do so in the future. This step may uncover labor issues, environmental liabilities, or controversial business and governance practices.
2. ***Sustainable Opportunity Assessment.*** Investing, in our view, is as much about opportunity as it is about risk. We seek out companies that use their SBA to add value for shareholders through revenue growth, cost savings or enhanced franchise value. The financial value of these sustainability drivers is not readily apparent to most investors, and we believe our proprietary SBA evaluations can provide us with an informational advantage.

SUSTAINABLE BUSINESS ADVANTAGES: WHERE FUNDAMENTAL AND ESG RESEARCH MEET

We place equal emphasis on the fundamental (including ESG risk management), sustainable and valuation attributes of any company we consider for the portfolio. We only invest when we are confident on all three criteria. Central to our approach is our search for companies with Sustainable Business Advantages (SBAs) that we believe can drive tangible, long-term business results.



Specifically, a company is considered to have SBA if its sustainable strategies or attributes have the potential to drive:

- ***Revenue growth*** by helping customers solve for challenging sustainability issues
- ***Cost improvement*** from efficient operations, risk mitigation or other measures that boost productivity or reduce resource consumption
- ***Enhanced franchise value*** by virtue of sustainable strategies or positive societal impact—generally exhibited via higher customer loyalty, attracting and retaining top talent, growing more quickly, or taking market share

SBA Driver	Business Scenario	Company Trait/Strategy	SBA Outcome
Revenue Growth	Customers have an appetite for being more productive and saving money.	Company offers solutions to help firms reduce energy, water or resource usage while improving customer throughput/yields.	Helping customers save money while increasing their productivity is a persistent and compelling value proposition that can increase a company's sales growth.
Cost Improvement	IT firms host data centers that consume energy and produce emissions at a massive scale.	Leading IT firms are working to reduce energy and resource costs of operating these data centers.	Innovators may become more efficient than their data center competitors, offering reduced costs and emissions to customers.
Enhanced Franchise Value	Consumers are increasingly moving to environmentally and socially responsible products.	Some companies are responding with ethical, healthy and organic products to meet this demand.	Companies that have built sustainable product lines over time may enjoy customer loyalty and a strengthened brand.

Our investment work focuses first and foremost on performance, but quite often, it leads us to compelling opportunities to create positive environmental or social impact as well with our investment choices. The portfolio does not target specific impact exposures, but over time, we have been exposed to a wide range of impact themes, from energy and resource efficiency to economic and community development. We believe that this approach is one of several distinguishing characteristics for our strategy.

We think it is important to acknowledge that the companies in the large-cap equity universe are collectively responsible for a large proportion of the world's economic activity—and the impact, both positive and negative, that stems from that activity. Cloud computing requires silicon, power and cooling systems; industrial activity produces waste; the ongoing global "energy transition" will not end fossil fuel consumption overnight—there is no avoiding these facts. However, our experience tells us that there are vast differences between companies that are trying to build a sustainable future and those that are not. We believe that by investing in the former, we can build a portfolio that drives both attractive returns and positive contributions to society.

We believe that our philosophy is one of the key drivers of our results since inception. The merits of our approach have been repeatedly acknowledged by industry observers; for example, over the years, our firm's sustainable investing work has received high marks from the Principles for Responsible Investment (PRI), as noted on page 9. We were further gratified that the strategy's UCITS vehicle received the prestigious FNG label (FNG is the leading sustainable investing industry organization in German-speaking countries) in 2021, in recognition of its "particularly ambitious and comprehensive sustainable strategy."*

DIVERSIFICATION BY IMPACT THEME

Breaking the portfolio out by different impact themes illustrates the variety of challenges and opportunities that our holdings address. As shown on page 7, we look at impact using a fairly straightforward segmentation into three main categories—environment, health and well-being, and economic development/social inclusion—each with several subcategories.

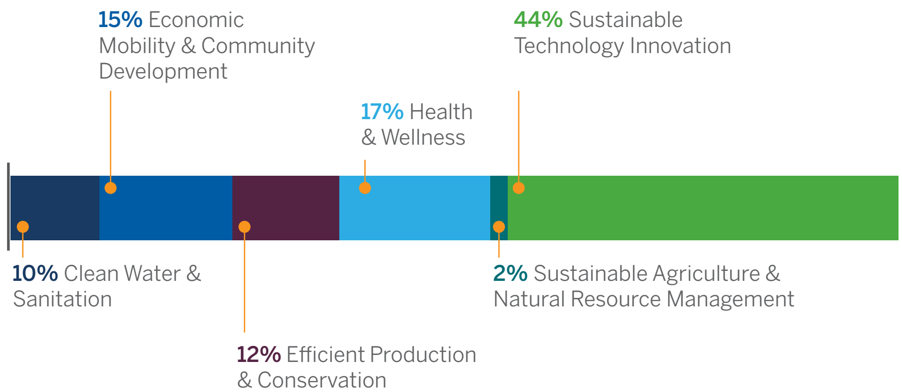
Categorizing each company's impact is not an exact science. Our research is based on both objective data and subjective analysis, and many companies produce impact on multiple fronts.

*FNG-labeled funds meet the quality standard for sustainable investments in the German-speaking countries developed by Forum Nachhaltige Geldanlagen e. V. (FNG; SIF of Germany, Austria, Liechtenstein and Switzerland). Certified funds pursue a professional and transparent sustainability approach. Its implementation has been verified by an independent audit of the University of Hamburg and supervised by an external committee. The UCITS vehicle received two of three possible stars for a particularly ambitious and comprehensive sustainability strategy.

For more information on the FNG label, please visit the FNG website (https://fng-siegel.org/kriterien/), which details the relevant research process and award criteria.

IMPACT THEME ANALYSIS

We categorize our holdings according to a series of impact themes to illustrate the variety of challenges and opportunities that our portfolio addresses. We do not target any particular impact mix, and we have found ample opportunity to invest in companies that address a wide range of social and environmental issues. (These themes align well with the U.N. Sustainable Development Goals, as noted below.)



Source: Brown Advisory analysis. Numbers may not total to 100% due to rounding. Impact theme information excludes cash, is based on a Brown Advisory Large-Cap Sustainable Growth representative account as of Dec. 31, 2021, and is provided as Supplemental Information. Please see the last page of the report for a GIPS compliant presentation.

IMPACT THEME ALIGNMENT WITH THE U.N. SUSTAINABLE DEVELOPMENT GOALS

The U.N. SDGs, as they are known, have become a common framework for categorizing projects and investments that seek to generate positive societal impact. Our impact themes are broadly aligned with these SDGs, as noted in the diagram below.

ECONOMIC DEVELOPMENT & SOCIAL INCLUSION

AFFORDABLE HOUSING
- 1 No Poverty
- 10 Reduced Inequalities
- 11 Sustainable Cities and Communities

ECONOMIC MOBILITY & COMMUNITY DEVELOPMENT
- 1 No Poverty
- 2 Zero Hunger
- 4 Quality Education
- 8 Decent Work and Economic Growth
- 10 Reduced Inequalities
- 11 Sustainable Cities and Communities
- 16 Peace, Justice and Strong Institutions

EDUCATION
- 4 Quality Education
- 8 Decent Work and Economic Growth
- 10 Reduced Inequalities

DIVERSITY, EQUITY & INCLUSION
- 5 Gender Equality
- 10 Reduced Inequalities
- 16 Peace, Justice and Strong Institutions

HEALTH & WELL-BEING

HEALTH & WELLNESS
- 2 Zero Hunger
- 3 Good Health and Well-Being

CLEAN WATER & SANITATION
- 3 Good Health and Well-Being
- 6 Clean Water and Sanitation
- 9 Industry, Innovation and Infrastructure
- 14 Life Below Water
- 15 Life on Land

ENVIRONMENT

SUSTAINABLE TECHNOLOGY INNOVATION
- 7 Affordable and Clean Energy
- 9 Industry, Innovation and Infrastructure
- 11 Sustainable Cities and Communities
- 13 Climate Action

EFFICIENT PRODUCTION & CONSERVATION
- 7 Affordable and Clean Energy
- 9 Industry, Innovation and Infrastructure
- 12 Responsible Consumption and Production
- 13 Climate Action
- 14 Life Below Water
- 15 Life on Land

CLEAN ENERGY
- 7 Affordable and Clean Energy
- 9 Industry, Innovation and Infrastructure
- 13 Climate Action

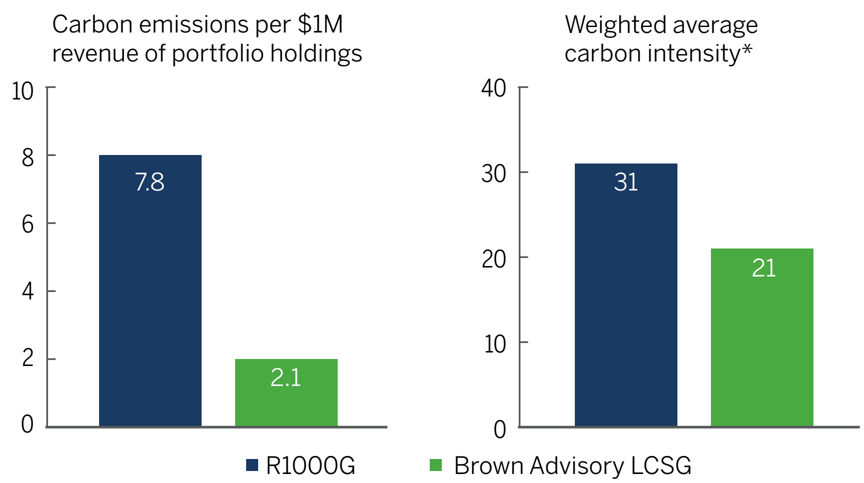
SUSTAINABLE AGRICULTURE/NATURAL RESOURCE MANAGEMENT
- 2 Zero Hunger
- 3 Good Health and Well-Being
- 12 Responsible Consumption and Production
- 13 Climate Action
- 14 Life Below Water
- 15 Life on Land

Source: United Nations, Brown Advisory analysis.

As noted throughout this report, our investment approach in this strategy is a bottom-up process that seeks to identify compelling long-term investments. We do not seek to meet a set of top-down screens or other broad criteria, nor do we build our strategies or research processes specifically to earn high marks from external evaluators. That being said, the investment process historically has led to a portfolio with minimal exposure to many practices and business activities that are common targets of screens, as well as a portfolio characterized by lower carbon emissions, and our overall approach is well-regarded by respected bodies such as the PRI (see page 9).

CARBON EMISSIONS DATA

Large-Cap Sustainable Growth Holdings as of Dec. 31. 2021



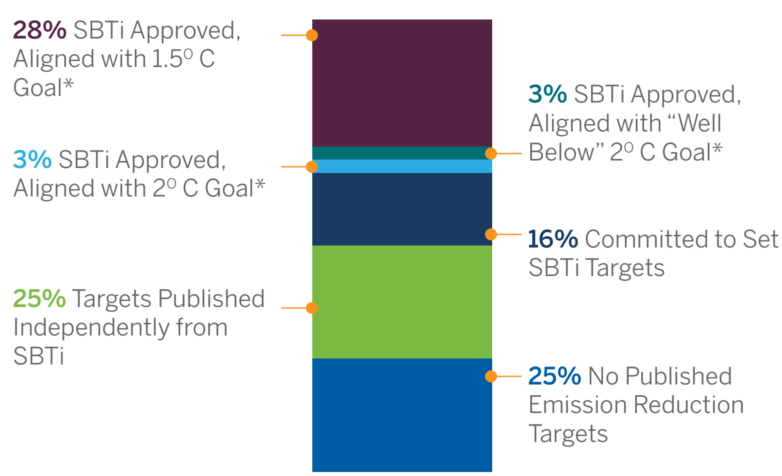
*Tons CO e/$M revenue of portfolio holdings, adjusted based on relative weighting of each holding. Portfolio information is based on a Brown Advisory Large-Cap Sustainable Growth representative account and provided as Supplemental Information. Please see the end of the report for a GIPS compliant presentation. Please see the end of this report for a complete list of term and index definitions.

SCIENCE-BASED TARGET INITIATIVE PROGRESS

Large-Cap Sustainable Growth Holdings as of Dec. 31, 2021

The Science-Based Target Initiative (SBTi) is a broad, collaborative effort to improve corporate carbon strategies by emphasizing actual reductions vs. offsets and by aligning corporate targets with the broader global Paris Agreement goals. This chart measures our portfolio companies' progress within this initiative.

**Note that the SBTi itself is evolving alongside the climate change crisis; in the past year, it began asking companies to consider more aggressive reductions in the hope of further restraining long-term global warming. Companies in this portfolio that have not set carbon targets are largely low-emission businesses by their nature, but we nonetheless seek to engage with all companies to understand their decarbonization strategies and to seek improved transparency and disclosure.*



Source: MSCI ESG Manager and Brown Advisory proprietary analysis. Data reflects portfolio holdings as of Dec. 31, 2021. Portfolio information is based on a Brown Advisory Large-Cap Sustainable Growth representative account and provided as Supplemental Information. Please see the end of the report for a GIPS compliant presentation. Please see the end of this report for a complete list of term and index definitions.

2020 AND 2021 PRI ASSESSMENT RECAP

Brown Advisory has been a signatory to the PRI (Principles for Responsible Investment) since 2014; PRI is a global network of investors representing more than $103 trillion as of June 30, 2020. Each year, PRI signatories complete a rigorous disclosure of sustainable investing practices; these disclosures, and the assessments of those disclosures by PRI's evaluation staff, are widely followed by investment decision-makers around the world.

Some readers may already be aware that there has been a substantial delay in the issuance of PRI's 2021 assessments. Those scores/grades are not expected to be available until later in 2022. In the absence of the newest round of assessments, we provide our 2020 PRI scores below.

In 2020, we received "A" grades and met or exceeded industry median scores in every category. We received the highest attainable score in the Strategy and Governance category; we see this as a strong external validation of our firm's and our senior leadership's commitment to sustainable investing.

We also received the highest attainable score in the area of engagement ("Listed Equity - Active Ownership"). In 2019, our only "B" grade was in this category, and feedback from PRI was helpful as we focused on enhancing our engagement and proxy voting processes (for more information, see our Engagement and Proxy Voting policies and 2020 reports on our website). We continued to engage actively with companies in 2020 as we have for many years.

Our full 2020 PRI Transparency Report can be found here (or copy and paste the following in your browser: https://stpublic.blob.core.windows.net/pri-ra/2020/Investor/Public-TR/(Merged)_Public_Transparency_Report_Brown%20Advisory_2020.pdf).

Module Name	Our 2020 Score
01. Strategy & Governance	A+
Indirect - Manager Sel., App. & Mon	
02. Listed Equity	A
03. Fixed Income - SSA	A
04. Fixed Income - Corporate Financial	A
05. Fixed Income - Corporate Non-Financial	A
06. Fixed Income - Securitized	A
07. Private Equity	A
Direct & Active Ownership Modules	
10. Listed Equity - Incorporation	A
11. Listed Equity - Active Ownership	A+
12. Fixed Income - SSA	A
13. Fixed Income - Corporate Financial	A
14. Fixed Income - Corporate Non-Financial	A
15. Fixed Income - Securitized	A

Source: PRI. For assessment methodology visit www.unpri.org/signatories/about-pri-assessment.

West Pharmaceuticals

SECTOR:	IMPACT THEME:
Health Care	Health and Wellness

3 GOOD HEALTH AND WELL-BEING

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Despite its name, West is not a drug company; it is a leading maker of drug delivery systems that has won over customers and gained market share with a combination of innovation and a relentless focus on quality. West's solutions help reduce contamination of stored injectable drugs and improve patient medication adherence, and these positive impacts on society are also key drivers of West's success over time.

According to the FDA, product defects and contamination are among the top reasons it issues product recalls, and nearly one-quarter of recalls for sterile injectable drugs (2008–2012) were due to the presence of visible particles in stored containers. Such defects are a massive risk for the industry, from the cost of recalls to the potential health consequences of patients using contaminated drugs. West has applied a "zero defect" mentality to address this problem, and we believe that its innovations have not only led to impressively low defect rates, but have also further blunted some of the causes of pharmaceutical contamination (for example, vials made of its Crystal Zenith materials resist delamination by acidic compounds far better than glass). This is a key reason why West has done well in the biologics market: Its solutions help to keep patients safe and reduce risk for health care providers at the same time. (West supplies containment and delivery products for each of the top 35 biologics on the market today.)

Another major cost and source of risk for the health care industry is medication nonadherence (i.e., not taking medication as prescribed). According to studies by the Network for Excellence in Health Innovation, the total cost of medication nonadherence is nearly $290 billion annually in the U.S.—$100 billion of which is from excess hospitalizations directly caused by nonadherence. Research shows that nearly half of patients with chronic conditions do not adhere to their prescriptions and that as many as 30% of prescriptions are never filled at all. West's self-injection solutions address this problem head on, utilizing cutting-edge injection technology and integrating with other, connected health information systems. Its SmartDose system is the first and only wearable injection system on the market; the device adheres to the patient's body and is pre-programmed to deliver high volumes of viscous or sensitive drug products. Efficacy is being demonstrated through partnerships, such as its alliance with HealthPrize Technologies, a digital medication adherence and engagement platform. So far, findings from this partnership have been promising, such as a 57% increase in adherence in a study of diabetes patients.

35 OUT OF 35

All of the top 35 biologic drugs on the market today use West's packaging and delivery solutions in an effort to reduce contamination risk and/or increase medication adherence.

Source: Brown Advisory research and West Pharmaceuticals. Sectors identified for each company are based on the GICS sector classification system. 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. Portfolio information is based on a Brown Advisory Large-Cap Sustainable Growth representative account and provided as Supplemental Information. Please see the last page of the report for a GIPS compliant presentation.

Enphase

SECTOR:

Industrials

IMPACT THEME:

Sustainable Technology Innovation

7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
13 CLIMATE ACTION

Enphase is a leading supplier of "microinverter" products for solar systems, specifically for distributed solar systems that residences and businesses are installing all over the world. Microinverters allow solar systems to control each solar panel separately, allowing customers to customize how they use electricity, store it or sell it back to the grid.

Enphase's solutions are key components in the solar energy ecosystem, which in turn is a critical factor in society's journey to a net-zero emissions future. At the end of 2020, Enphase reported that 8.6 gigawatts of solar power had been installed using Enphase microinverters since the company's inception—enough to power 3.5 million homes per year and offset 20.8 millions tons of CO2-equivalent emissions.

8.6

GIGAWATTS

The currently installed base of solar systems using Enphase microinverters is enough to power 3.5 million homes per year.

Intuit

SECTOR:

Information Technology

IMPACT THEME:

Economic Mobility and Community Development

4 QUALITY EDUCATION
8 DECENT WORK AND ECONOMIC GROWTH
13 CLIMATE ACTION

Intuit's products aim to empower individuals and small business owners and help them take control of their finances. Its flagship TurboTax and QuickBooks products revolutionized personal finance and have helped millions of people improve their circumstances, alongside other Intuit products such as Mint.com and Credit Karma.

The company is actively pursuing goals for climate progress as well as diversity and inclusion. In 2021, it achieved its goal for increasing the percentage of women in its technology workforce, to 30%, and it was ranked the eighth best employer for women in the U.S. in 2021 by *Forbes*. Intuit achieved carbon neutrality in 2015, and in 2020, it stated that it had achieved its goal of powering 100% of global operations with renewable electricity—fully 10 years ahead of schedule.

CARBON NEUTRAL SINCE

2015

Intuit's current emissions goals aim to reduce the entire world's global CO2 emissions by two million tons before 2030 through its own actions. A reduction of that size would be fifty times the scale of Intuit's carbon footprint.

Source: Brown Advisory research, Enphase and Intuit. Sectors identified for each company are based on the GICS sector classification system. 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. Portfolio information is based on a Brown Advisory Large-Cap Sustainable Growth representative account and provided as Supplemental Information. Please see the last page of the report for a GIPS compliant presentation.

We regularly engage with the companies whose securities we hold in the Large-Cap Sustainable Growth portfolio and with other stakeholders with an interest in those companies. Sometimes our goal in these engagements is to inform our investment thesis, and other times we seek to elicit a specific stakeholder response to an idea, suggestion or perceived risk.

Engagement has always played an important role in our fundamental due diligence. We believe that good fiduciaries and stewards of client capital have a responsibility to maintain consistent dialogue with the companies they own and related stakeholders. This extends to our responsibility to understand companies and issuers from an ESG perspective and, when appropriate, to encourage improved ESG practices.

Our firm's ESG research team plays a critical role in formalizing our firm's ESG engagement approach with companies and issuers. The team made progress on a number of fronts related to engagement in 2021:

- **Collaboration**: We have partnered with a number of organizations and coalitions in recent years in large-scale engagement campaigns and view collaboration as a core engagement tactic. We became more involved in several of these initiatives in 2021. We were early signatories to Climate Action 100+, and this past year, we formally joined three company-specific engagements coordinated by that coalition. Another example is our work with CDP, spanning multiple campaigns on climate change strategy, including outreach to encourage SBTi adoption and engagement with municipal bond issuers.
- **Tapping into expertise**: Sustainability issues can be enormously complex, and for some issues, we seek to build networks with specialized individuals and groups that can help us better understand the associated risks and opportunities. Our work on ethical AI is a good illustration: We joined working groups at the World Economic Forum, PRI and the American Institute of Certified Public Accountants, all of which assemble investment, technology and policy thought leaders to address bias, transparency and other ethical issues in AI deployment.
- **Helping drive implementation**: Once investors reach an agreement with a company in an engagement, there is still a lot of work to do, generally over many years, to actually implement change. We are long-term investors and often hold companies for multiyear periods, so we are often in good position to monitor and encourage those companies to adhere to annual sustainability goals and targets. For example, we have worked with CDP on its campaign to ask companies to adopt the SBTi, and for the companies that have agreed, we can continue to engage with them one on one regarding implementation steps.

ENGAGEMENT APPROACHES

ESG Due Diligence: We conduct ongoing discussions with companies to inform our investment research. These conversations are a standard component of our ESG research and contribute to portfolio decisions and ongoing monitoring of holdings.

Impact: We collaborate with companies/issuers and industry groups to advocate for improved ESG practices,and continued implementation of existing ESG-related initiatives. We note that proxy voting, especially on ESG-related shareholder proposals, is an important signaling tool in these engagements.

Advisory: We are often asked by companies for feedback and informal advice on the development, improvement and/or communication of their ESG efforts. To be clear, we do not act in any formal capacity as an advisor or consultant on these matters; we simply act as a sounding board.

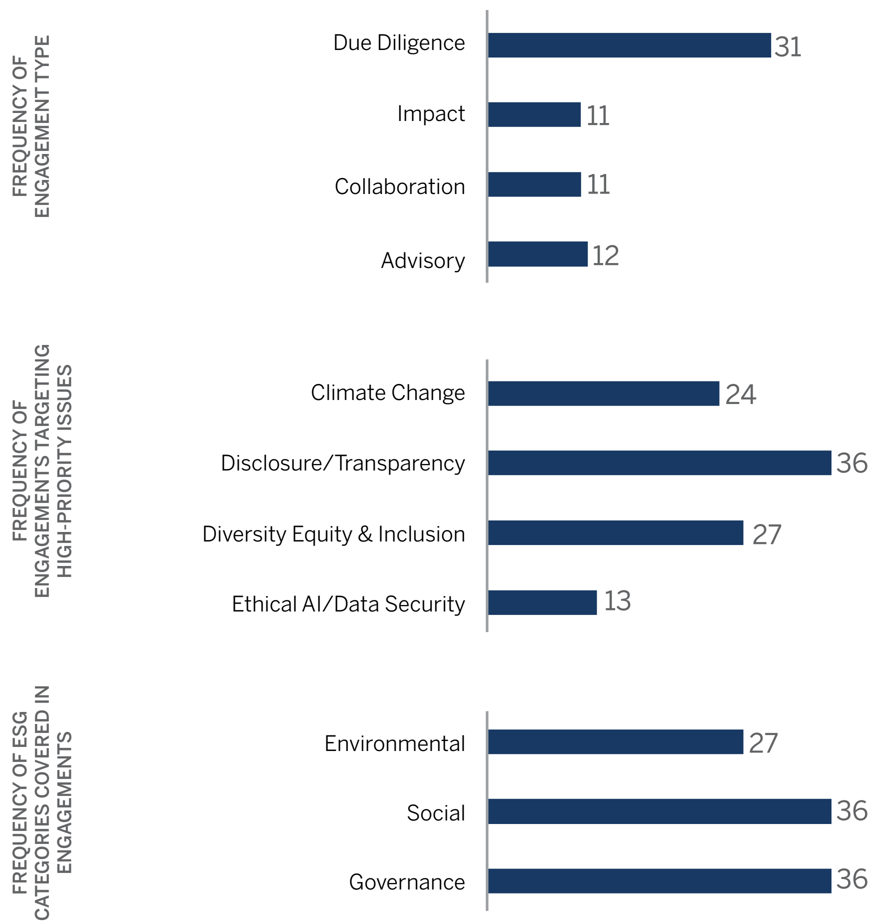
Collaboration: We partner with many investor groups and nonprofits to help advance salient issues.

ISSUE PRIORITIZATION

Our engagements generally flow from our overall "bottom-up" orientation to investing—we seek to engage with each company on the specific risks and opportunities that we consider to be most relevant and material in each situation. However, we also strive to engage at a strategic level with many companies on a common set of high-priority topics that have wide-ranging relevance. We prioritize based on several factors, including saliency (does the issue transcend materiality, with sweeping implications for all stakeholders), exposure (does the issue pose an outsized risk to our portfolio) and client interest/demand, as well as our belief in our ability to achieve meaningful progress on the issue and whether it is an issue that multiple companies are bringing up with us proactively.

In 2021, our four high-priority engagement topics were **climate change, disclosure and transparency, diversity equity and inclusion;** and **ethical AI/data security.** On page 13, we provide a summary of our activity in 2021.

2021 ENGAGEMENT ACTIVITY BY THE NUMBERS: *LARGE-CAP SUSTAINABLE GROWTH*



46 engagements in 2021 with portfolio companies, portfolio candidates and relevant stakeholders

ENGAGEMENT EXAMPLE: BROAD ESG CONSULTATION

ISSUE: Climate Change
TYPE: Advisory

After many years of owning this company and its predecessor, our team had built a strong rapport with company management, which had always sought to be proactive with its ESG efforts. In 2021, the investment team was invited to an engagement conversation to provide comprehensive feedback on the company's climate change and other ESG efforts and how they align with its business strategy.

We provided input on a broad range of topics. One area of discussion worth noting was ESG disclosures and what would be most useful for us as investors. We offered several ideas, such as reporting revenue growth from sustainable products, or reporting on internal initiatives that have led to cost reduction, employee retention or other measurable benefits. We believe additional information such as this would benefit our analysis, as well as the company's strategic planning, going forward.

ENGAGEMENT EXAMPLE: LEADING SOFTWARE FIRM

ISSUE: Ethical AI
TYPE: Impact, Collaboration

The portfolio held several companies in 2021 that are leaders in artificial intelligence. It is an exciting, rapidly growing space, but it is also a potential breeding ground for injustice if AI systems are not implemented with clear guidelines and ethical practices.

We have engaged meaningfully with these companies—both to learn more about the issues from the world's foremost experts and to convey our concerns about best practices and ethical risks. Through frequent engagements with the leaders on AI ethics at one of these firms, we have enhanced our understanding of risk management practices and equipped ourselves to provide more meaningful recommendations to other technology companies in our portfolio. Overall, we are pleased to see some initial progress with several holdings, but there is still much work to be done on this issue.

Source: Brown Advisory. Portfolio information is based on a Brown Advisory Large-Cap Sustainable Growth representative account and provided as Supplemental Information. Please see the last page of the report for a GIPS compliant presentation.

PROXY VOTING

Proxy voting is the process by which shareholders vote on proposals submitted for consideration at a company's annual general meeting. Most proposals are submitted by management, and votes on management proposals are binding—the equivalent of a binding referendum vote on a ballot question in a statewide election. Additionally, a growing number of shareholder proposals are submitted each year for consideration at annual general meetings. These votes are nonbinding, but the vote totals on these proposals can nonetheless influence corporate behavior. (For this reason, we believe that the rights of shareholders with regard to these resolutions should be protected by regulators to ensure that investors' perspectives can always be heard in a public forum.)

We have taken a number of steps recently to enhance our approach to proxy voting:

- We added additional rigor to our process for evaluating proxy proposals. Today, each proposal is assigned to a relevant research analyst—ESG research analysts on shareholder proposals, and fundamental analysts on management proposals—who leads the work on our vote recommendation and shepherds the proposal through our voting process. The approach is meant to encourage collaboration while also letting our team members focus on their strengths. (Decisions are still informed by a team-based process, and portfolio managers retain the final say on votes.)
- We refined our proxy voting committee structure. We added representation from a wider range of groups across the firm and notably welcomed our CEO to the committee, who proactively asked to join so he could stay informed on how the proxy voting space is evolving.
- Finally, we reviewed our various policies related to sustainable investing, including our engagement and proxy voting policies (available on our website), and updated them in several areas.

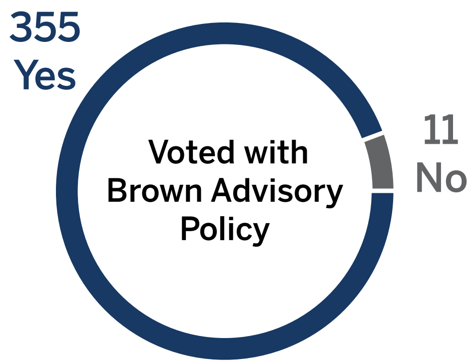
We believe that companies can benefit by considering forward-thinking social and environmental proposals. We generally aim to support ESG-related shareholder proposals that we consider likely to improve shareholder value over time. On the next page, we report on our voting record in 2021, compared to our policy's guidelines and to the votes of company management. Our case-by-case approach results in voting that largely follows policy guidelines but also diverges on occasion.

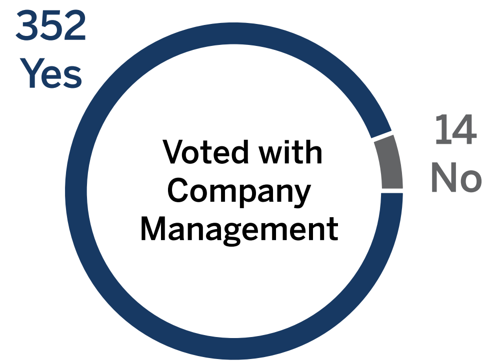
There are various factors that guide our case-by-case voting decisions, many of them related to materiality. In recent years, the SEC and U.S. Department of Labor focused on proxy voting and the importance of fiduciaries to only consider financially material factors when engaging in proxy voting. We believe that the stance of these agencies is aligned with Brown Advisory's view on the importance of material ESG considerations from a performance-first perspective. This is one of many reasons why we seek to use ESG research as a tool to improve our investment decision-making.

Proxy voting for our institutional investment strategies is overseen by a proxy voting committee made up of equity research analysts, ESG research analysts, trading operations team members, the head of our sustainable investing business, our director of equity research and our general counsel (among others). The committee oversees the proxy voting process, but responsibility for casting votes rests with our investment and ESG research teams and, ultimately, with the portfolio managers for each Brown Advisory equity investment strategy.

2021 PROXY VOTING BY THE NUMBERS:
LARGE-CAP SUSTAINABLE GROWTH

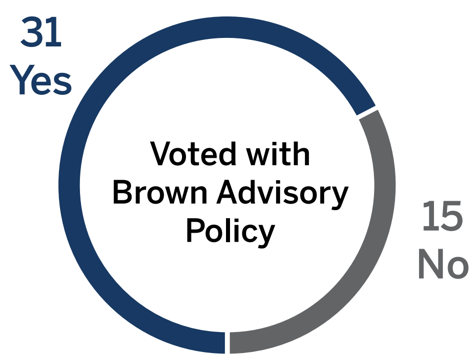
366 Proposals from Management

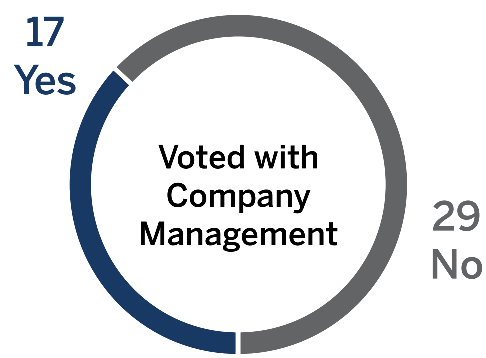




46 Proposals from Shareholders

Topical Breakdown:
8 Environmental/Social
21 Governance-Specific
17 Social-Specific





Source: Brown Advisory. Portfolio information is based on a Brown Advisory Large-Cap Sustainable Growth representative account and provided as Supplemental Information. Please see the last page of the report for a GIPS compliant presentation.

In 2021, there was an issuer proxy vote that was part of a split vote on behalf of Brown Advisory. More specifically, Brown Advisory Large Cap Sustainable Growth and Brown Advisory Flexible Equity were both holders of the issuer; however, the portfolio managers of each strategy had a different perspective regarding the vote and wanted to vote differently. Brown Advisory's approach (as described in the firm's proxy policy statement) is to aggregate all of Brown Advisory's shares in the issuers across all strategies and split the votes proportionally. The votes are ultimately voted in the aggregate on the behalf of Brown Advisory, the votes are not subsequently voted or allocated by strategy. Consequently, some shares held in Brown Advisory Large Cap Sustainable Growth voted FOR and some shares held in Brown Advisory Large Cap Sustainable Growth voted AGAINST, even though the portfolio managers' decision was to vote FOR. The data provided above includes the votes in the strategy that reflects the portfolio manager's decision. The dashboard provided by ISS, the proxy voting vendor utilized by Brown Advisory, which can be found on the Brown Advisory website, reflects all shares voted by the issuer.

Brown Advisory U.S. Large-Cap Sustainable Growth 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)
2020	40.2	39.4	38.5	17.5	19.6	114	0.7	8,086	59,683
2019	36.2	35.5	36.4	12.4	13.1	5.3	0.3	2,379	42,426
2018	5.4	4.8	-1.5	11.6	12.1	41	0.2	1,049	30,529
2017	29.1	28.4	30.2	10.6	10.5	32	0.2	762	33,155
2016	6.6	6.0	7.1	11.5	11.2	32	0.1	503	30,417
2015	13.7	13.1	5.7	11.1	10.7	23	0.3	405	43,746
2014	7.1	6.5	13.1	9.9	9.6	25	0.1	303	44,772
2013	34.5	33.7	33.5	12.1	15.5	24	0.2	288	40,739
2012	16.5	15.9	15.3	15.7	15.7	22	0.3	211	26,794
2011	5.4	5.0	2.6	NA	NA	21	0.3	37	19,962
2010	23.5	23.1	16.7	NA	NA	18	N/A	13	16,859

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, 2018. The Verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. GIPS® is a registered trademark owned by CFA Institute.

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 Growth Composite (the Composite) includes all discretionary portfolios invested in the Sustainable Large Cap Strategy. The strategy invests primarily in large market capitalization companies with financially and environmentally sustainable business models. The minimum account market value required for Composite inclusion is $1.5 million. Prior to 2012, the minimum was $100,000.
3. ESG 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 have desirable ESG outcomes, but investors may differ in their views of what constitutes positive or negative ESG outcomes. 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 screened out of other ESG oriented funds. Security selection will be impacted by the combined focus on ESG assessments and forecasts of return and risk. The strategy intends to invest in companies with measurable ESG outcomes, as determined by Brown Advisory, and seeks to screen out particular companies and industries. Brown Advisory relies on third parties to provide data and screening tools. There is no assurance that this information will be accurate or complete or that it will properly exclude all applicable securities. Investments selected using these tools may perform differently than as forecasted due to the factors incorporated into the screening process, changes from historical trends, and issues in the construction and implementation of the screens (including, but not limited to, software issues and other technological issues). There is no guarantee that Brown Advisory's use of these tools will result in effective investment decisions.
4. Prior to March 31, 2013, the strategy was named Large-Cap Sustainability. Prior to December 31, 2011, the strategy was named Winslow Green Large Cap. No changes have been made to the strategy since inception.
5. The Composite was created in 2010. The Composite inception date is January 1, 2010.
6. The benchmark is the Russell 1000® Growth Index. 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 new and growing equities are included and that the represented companies continue to reflect growth characteristics. The Russell 1000® Growth 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.
7. The composite dispersion presented is an equal-weighted standard deviation of portfolio 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.
8. 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-fee performance returns reflect the deduction of actual management fees and all trading commissions. Certain accounts in the Composite pay asset-based custody fees that include commissions. For these accounts, gross and net returns are also net of custody fees. Other expenses can reduce returns to investors. The standard management fee schedule is as follows: 0.80% on the first $10 million; 0.60% on the next $15 million; 0.50% on the next $25 million; and 0.40% on the balance over $50 million. Further information regarding investment advisory fees is described in Part II A of the firm's form ADV. Actual fees paid by accounts in the Composite may differ from the current fee schedule.
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, 2010 and December 31, 2011 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, policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.
12. Past performance is not indicative of future results.
13. 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.

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 new and growing equities are included and that the represented companies continue to reflect growth characteristics.