FLEXIBLE EQUITY REVIEW AND OUTLOOK

During the second quarter of 2020, the Flexible Equity Strategy outpaced its benchmark, the S&P 500® Index, which was up 20%. The strategy is also ahead of its benchmark for the year-to-date, one-year and most multi-year time periods, ended June 30, 2020.

When we wrote our last quarterly commentary, the U.S. equity markets had experienced a nearly 20% decline during the quarter. The S&P 500 Index peaked at 3,386 on Feb 19—before the ferocious selling related to the COVID-19 pandemic. It bottomed at 2,237 on March 23, at which point the markets were down approximately 34% from the peak in 23 trading days. Since hitting the bottom, we saw a sharp rebound and by June 8, the Index had recovered all its losses for the year. This is one of the sharpest corrections and fastest rebounds on record.

Our strategy's returns fell behind the benchmark during the market decline but have surpassed the benchmark during the current upswing. Our level of activity picked up during the market declines in the first and second quarters. The broad market sell-off allowed us to make investments in new businesses that we believed were fundamentally attractive, but had refrained from buying due to their high share prices (e.g., Intuit, Blackstone and Analog Devices). We were able to execute on these new investments in a relatively short timeframe, as we had already completed in-depth research and analysis in previous months. We were patiently waiting for attractive prices and the sell-off gave us the opportunity to execute. Had we foreseen the pandemic, we would have unloaded our investment in Delta Airlines and lightened up on our exposure in banks earlier. Nevertheless, there were opportunities to do so in March and April, when there was overreaction and bounce backs. Prices generally respond to news headlines—slowly at first perhaps—but once the news becomes widespread it is definitely priced in—sometimes too much so. We added to stocks as prices declined, picked up new holdings and added to some existing holdings that had declined too much (e.g., CarMax, Ameriprise, Amazon and Facebook), and exited some where we felt the future became less attractive or less clear for longer (e.g., Wells Fargo, Delta Airlines, Charles Schwab and Cimarex). Although a quarter is too short a time period to measure performance or pat anyone's back, we are pleased to report that the changes we executed have contributed positively to the portfolio performance.

During these volatile times, it has become a recurring theme of our quarterly letters to remind readers that it is difficult to predict where the market is going next week, next month or next year—though we expect an upward bias over time, based on long-term economic progress. As we have said before, getting out at the peak and getting back in at the bottom is mostly a fool's errand and not something we contemplate. The quick reversal of the market in a short period is a testament that it is time, and not timing, that usually works in favor of long-term equity investors.

The recent equity market rebound should by no means lull one into believing that problems related to the health and financial crises are behind us. Virtually every country in the Western Hemisphere has been in a lockdown for most of the quarter, which has caused tremendous economic pain in many sectors of the economy and has resulted in unprecedented levels of unemployment from which the world has yet to recover. In the U.S., real gross domestic product (GDP) declined at a 5% annual rate in the first quarter of the year and is likely to contract at an unprecedented pace in the second quarter. The unemployment rate has swung from a 50-year low in February at 3.5%, to an 80-year high in April at 14.7%.

The odds of the market or the economy rebounding to the extent it has would be slim had the Federal Reserve and our elected officials not responded in a big and decisive way in a matter of days by supporting the incomes of households and small businesses. The Fed stepped in to support the flow of credit to households and companies, lowered interest rates to near zero and calmed down international dollar funding markets.

(Continued on the following page)

FLEXIBLE EQUITY REVIEW AND OUTLOOK

In addition, Congress voted to distribute approximately $2.9 trillion, about 14% of U.S. GDP, in COVID-19 relief. The forcefulness of the actions by central banks and governments have helped reduce the stress that could have amplified the shock associated with the shutdown of the vast swaths of the global economy. We agree with Warren Buffett that we collectively owe a huge debt of gratitude to the Federal Reserve for acting strongly in March and since then.

We are also tremendously grateful to the medical staff in hospitals, who are still responding to the ongoing spread of the virus in the U.S.

We are beginning to see the green shoots of recovery with the gradual reopening of the global economy, although there will be periodic setbacks due to “clamp downs” to help contain the spread of the virus. The path ahead is likely to be challenging, and equity markets will have bumps along the way. But we believe that in the not too distant future this too shall be behind us. It is worthwhile to repeat the lines from our notes on the 2020 Berkshire Hathaway Annual Shareholder Meeting compiled by our colleague, Hutch Vernon:

> “Buffett is convinced that the U.S. will do fine over the long-term. Since the United States’ founding in 1789, it has always been a mistake to bet against America. The American miracle, the American experiment, has always come through. If a person could pick any time and place in history to be born, America at the present time would be it.”

We usually close our written commentaries with the following statement about our investment approach.

> The Flexible Equity team searches for investment bargains among long-term attractive businesses with shareholder-oriented managers—those with productive assets and productive managers. These businesses should have or develop competitive advantages that result in good business economics, managers who allocate capital well, capacity to adjust to changes in the world and the ability to grow business value over time. Bargains in these types of stocks can arise for various reasons but are often due to short-term investor perceptions, temporary business challenges that will improve, company or industry changes for the better, or as-yet-unrecognized potential for long-term growth and development. Despite the occasional investment that will go awry and stretches when the general stock market is unrewarding, we are optimistic about the long-term outlook for equities of good businesses purchased at reasonable prices and our ability to find them.

To access the 2020 Berkshire Hathaway Annual Shareholder Meeting notes referenced in this commentary please visit: https://info.brownadvisory.com/2020_Berkshire_Hathaway_Notes.
Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

SECTOR DIVERSIFICATION

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- We base our investment approach on individual company selection and incorporate a reasonable balance of sector exposure as part of risk management process. We believe that companies in the same sectors can vary as greatly in their business economics and profiles as companies in completely different sectors.
- Strong returns for many of the holdings pushed the consumer discretionary weighting higher. We trimmed CarMax, after the stock rebounded in the quarter.
- The financials sector weighting declined because the sector return lagged the overall portfolio. We eliminated Charles Schwab and allocated capital to Ameriprise Financial from Bank of America and J.P. Morgan.
- While there were no trades in the health care sector, the weighting declined because the sector return lagged the overall portfolio.
- The industrial weighting increased with the additions to Carrier Global Corp. and Stericycle.
- The information technology sector outperformed the overall portfolio. We trimmed PayPal Holdings on price strength.

SECTOR	REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT (%)	S&P 500® INDEX (%)	DIFFERENCE (%)	REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT (%)	
	Q2'20	Q2'20	Q2'20	Q1'20	Q2'19
Communication Services	11.27	10.78	0.48	11.15	10.13
Consumer Discretionary	17.61	10.83	6.79	16.30	15.20
Consumer Staples	4.83	6.97	-2.14	4.82	3.24
Energy	2.33	2.83	-0.50	2.72	4.50
Financials	13.30	10.08	3.22	14.84	19.90
Health Care	9.88	14.63	-4.75	10.82	9.01
Industrials	6.71	7.99	-1.28	6.16	7.55
Information Technology	30.90	27.46	3.44	29.66	26.50
Materials	--	2.52	-2.52	--	1.25
Real Estate	3.17	2.84	0.33	3.53	2.70
Utilities	--	3.07	-3.07	--	--

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 Flexible Equity 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 disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

Second Quarter 2020

QUARTER-TO-DATE CONTRIBUTION DETAIL BY SECTOR

Brown ADVISORY Thoughtful Investing.

GICS SECTOR	REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT		S&P 500® INDEX		CONTRIBUTION TO RETURN ANALYSIS		
	AVERAGE WEIGHT (%)	RETURN (%)	AVERAGE WEIGHT (%)	RETURN (%)	REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT(%)	S&P 500 INDEX (%)	DIFFERENCE (%)
Communication Services	11.44	26.37	10.88	20.14	2.97	2.17	0.80
Consumer Discretionary	17.08	35.94	10.42	32.89	5.75	3.15	2.60
Consumer Staples	4.79	18.83	7.35	8.11	0.96	0.73	0.24
Energy	2.53	9.08	2.92	30.53	0.28	0.89	-0.61
Financials	13.73	15.43	10.49	12.23	2.16	1.37	0.80
Health Care	10.63	14.57	15.19	13.85	1.82	2.30	-0.48
Industrials	6.45	23.28	7.96	16.62	1.46	1.31	0.16
Information Technology	29.99	31.65	26.11	30.47	9.24	7.46	1.78
Materials	--	--	2.49	26.01	--	0.64	-0.64
Real Estate	3.37	12.91	2.90	13.26	0.51	0.41	0.11
Utilities	--	--	3.29	2.74	--	0.12	-0.12
Total	**100.00**	**25.16**	**100.00**	**20.53**	**25.16**	**20.53**	**4.63**

- Contribution analysis is a tool that shows the combined effect of weighting and return to the total return earned.
- We focus our efforts on individual company selection and incorporate a reasonable balance of sector exposure as part of our risk management process.
- All sectors rose in the quarter. Consumer discretionary and information technology—the largest sectors in the portfolio—contributed the most to return.
- Energy and real estate—the smallest sectors in the portfolio—contributed the least to the return.
- No sector detracted from the overall return.

Source: FactSet. Total portfolio return figures provided above reflect the sum of the returns of the equity holdings in the representative account portfolio due to price movements and dividend payments or other sources of income, and exclude cash. The portfolio information provided is based on a representative Flexible Equity account and is provided as supplemental information. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Sector contribution excludes cash and cash equivalents. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

Second Quarter 2020

QUARTER-TO-DATE ATTRIBUTION DETAIL BY SECTOR

	REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT		S&P 500® INDEX		ATTRIBUTION ANALYSIS		
SECTOR	AVERAGE WEIGHT (%)	RETURN (%)	AVERAGE WEIGHT (%)	RETURN (%)	ALLOCATION EFFECT (%)	SELECTION & INTERACTION EFFECT (%)	TOTAL EFFECT (%)
Communication Services	11.44	26.37	10.88	20.14	0.02	0.69	0.71
Consumer Discretionary	17.07	35.94	10.41	32.89	0.73	0.44	1.18
Consumer Staples	4.79	18.83	7.35	8.11	0.33	0.50	0.83
Energy	2.54	9.08	2.92	30.53	0.04	-0.57	-0.53
Financials	13.73	15.43	10.49	12.23	-0.23	0.38	0.15
Health Care	10.63	14.57	15.19	13.85	0.31	0.17	0.48
Industrials	6.45	23.28	7.96	16.82	0.11	0.39	0.50
Information Technology	29.99	31.65	26.11	30.47	0.34	0.45	0.79
Materials	--	--	2.49	26.01	-0.11	--	-0.11
Real Estate	3.37	12.91	2.90	13.26	-0.01	0.02	0.01
Utilities	--	--	3.29	2.74	0.61	--	0.61
Total	**100.00**	**25.16**	**100.00**	**20.55**	**2.14**	**2.47**	**4.61**

- Attribution is a tool that calculates the effect of sector allocation and stock selection relative to market and sector benchmarks of performance. This tool does not reflect how we manage investments, and we believe it has significant limitations, but it is frequently requested, so we share it for that reason.
- The portfolio outperformed the S&P 500 Index. Sector allocation and stock selection contributed to the return. Our stock selection was a slightly more meaningful contributor to the return than our sector allocation relative to the Index.
- Consumer discretionary, consumer staples and information technology contributed the most to the portfolio's return relative to the S&P 500 Index. The consumer discretionary and information technology sectors had a higher weighting and a higher return than the Index. The consumer staples sector had a lower weighting but a higher return than the Index.
- Energy detracted from the return relative to the Index. While the weightings were similar, the holdings in the portfolio did not increase as much as those in the Index.

Source: FactSet. Total portfolio return figures provided above reflect the sum of the returns of the equity holdings in the representative account portfolio due to price movements and dividend payments or other sources of income, and exclude cash. The portfolio information provided is based on a representative Flexible Equity account and is provided as supplemental information. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Sector attribution excludes cash and cash equivalents. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

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QUARTER-TO-DATE TOP FIVE CONTRIBUTORS TO RETURN

Representative Flexible Equity Account Top Five Contributors

	NAME	DESCRIPTION	AVERAGE WEIGHT (%)	RETURN (%)	CONTRIBUTION TO RETURN (%)
KMX	CarMax Inc.	Operates as a holding company whose subsidiaries sell and finance used motor vehicles	3.54	66.35	1.94
LOW	Lowe's Companies Inc.	Engages in the retail sale of home improvement products	3.79	57.81	1.90
MSFT	Microsoft Corporation	Develops, manufactures and distributes software products	5.86	29.39	1.66
PYPL	PayPal Holdings Inc.	Provides digital and mobile payments on behalf of consumers and merchants	2.53	82.42	1.64
FB	Facebook Inc. Class A	Operates as a social networking service and website	4.57	36.13	1.52

- CarMax reported record sales and earnings in April, for its fiscal fourth quarter, ending February 2020. However, in March and April there was a sell-off, as investors were fearful of the “lockdown” and the temporary closure of stores. Since then, the stock price has rebounded as sales have continued to improve after reaching a trough in April. Sales, in the current environment, have benefited from an omni-channel strategy.
- Lowe’s quarterly results exceeded investors’ expectations, with strong sales and earnings growth and profitability. As consumers spent more time at home, Lowe’s benefited from their willingness to spend more on do-it-yourself (DIY) projects.
- Microsoft continues to execute well across its businesses and reported another strong quarter.
- PayPal reported strong revenue growth trends and net new active users as evidenced by consumers shifting purchases to ecommerce during this “stay at home” period.
- Facebook reported first-quarter earnings at the end of April which were better than investors feared and more importantly, trends stabilized in the beginning of the month. Facebook reported flat year-over-year revenue growth through the first few weeks of April, as weakening ad budgets in some verticals offset strong user engagement.

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. Contribution to return is calculated by multiplying a security’s beginning weight in the portfolio by the security’s return on a daily basis, and geometrically linking the return for the reporting period. Security returns listed represent the period when the security was held during the period. The portfolio information provided is based on a representative Flexible Equity account and is provided as supplemental information. Top five contributors exclude cash and cash equivalents. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

Second Quarter 2020

QUARTER-TO-DATE BOTTOM FIVE CONTRIBUTORS TO RETURN

Representative Flexible Equity Account Bottom Five Contributors

	NAME	DESCRIPTION	AVERAGE WEIGHT (%)	RETURN (%)	CONTRIBUTION TO RETURN (%)
BRK.B	Berkshire Hathaway Inc. Class B	Operates as a holding company which offers insurance, rail transportation and energy generation & distribution services	3.67	-2.36	-0.08
SCHW	Charles Schwab Corporation	Provides securities brokerage and other financial services	0.01	0.66	0.00
XEC	Cimarex Energy Co.	Operates as an oil and gas exploration and production company	0.03	4.60	0.01
MRK	Merck & Co. Inc.	Discovers, develops and markets human and animal health products	0.82	1.29	0.03
TJX	TJX Companies Inc	Operates retail apparels and home fashions stores	0.83	5.75	0.04

- Berkshire Hathaway modestly detracted from the portfolio's return, after reporting results that underwhelmed investors. The effect of COVID-19 on the economy negatively impacted the company's earnings.
- We eliminated both Cimarex Energy and Charles Schwab in the quarter.
- TJX Companies and Merck were both impacted by COVID-19. TJX temporarily closed its stores and eliminated its dividend to conserve cash. As stores reopen, TJX has reported strong sales. Merck's guidance was lowered due to fewer patient visits.

Second Quarter 2020

QUARTER-TO-DATE ADDITIONS/DELETIONS

Representative Flexible Equity Account Portfolio Activity

- New holdings Raytheon Technologies Corp., Carrier Global Corp. and Otis Worldwide Corp. were the result of the acquisition of Raytheon Company by United Technologies Corp., a portfolio holding, and the subsequent spin-offs of the Carrier (air conditioning) and Otis (elevator) businesses. We purchased additional shares of Carrier Global Corp., as it was trading at a meaningful discount to its peer companies.
- We exited Charles Schwab as we believe its earnings will be under pressure due to the low interest rate environment.
- We eliminated our small holding in Cimarex Energy in favor of consolidating our oil-related investments by adding to existing holding Suncor Energy, which we believe is a stronger company to own with oil prices at a historic low.

SYMBOL	ADDITIONS	SECTOR
RTX	Raytheon Technologies Corp.	Industrials
CARR	Carrier Global Corp.	Industrials
OTIS	Otis Worldwide Corp.	Industrials

SYMBOL	DELETIONS	SECTOR
SCHW	Charles Schwab Corporation	Financials
XEC	Cimarex Energy Co.	Energy

Second Quarter 2020

PORTFOLIO CHARACTERISTICS

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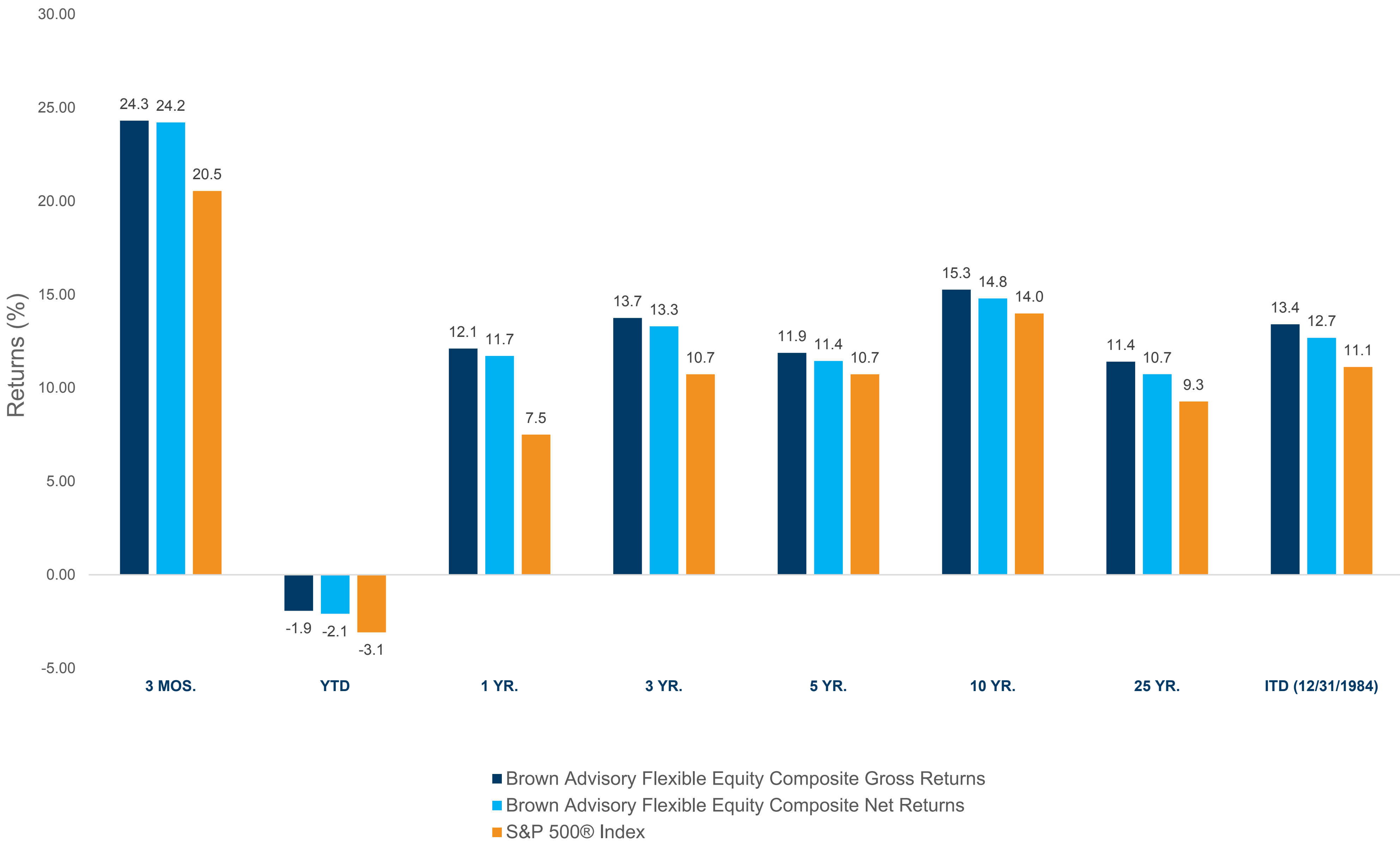
	REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT	S&P 500 INDEX
Number of Holdings	45	505
Market Capitalization ($ B)		
Weighted Average	396.2	388.0
Weighted Median	204.4	137.2
Maximum	1,577.4	1,577.4
Minimum	3.2	2.8
P/E Ratio FY1 Est. (x)	25.9	23.4
P/E Ratio FY2 Est. (x)	20.6	19.3
Earnings Growth 3-5 Yr. Consensus Est. (%)	13.2	10.2
Dividend Yield (%)	1.1	1.9
Top 10 Equity Holdings (%)	44.0	27.0
Three-Year Annualized Portfolio Turnover (%)	12.7	--

Source: FactSet. The portfolio information provided is based on a representative Flexible Equity account and is provided as supplemental information. Portfolio characteristics exclude cash and cash equivalents. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

Second Quarter 2020

COMPOSITE PERFORMANCE

As of 06/30/2020



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 Institutional Flexible Equity 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 Institutional Flexible Equity Composite disclosure statement at the end of this presentation for a GIPS compliant presentation.

Second Quarter 2020

TOP 10 PORTFOLIO HOLDINGS

Representative Flexible Equity Account
As of 06/30/2020

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Top 10 Portfolio Holdings

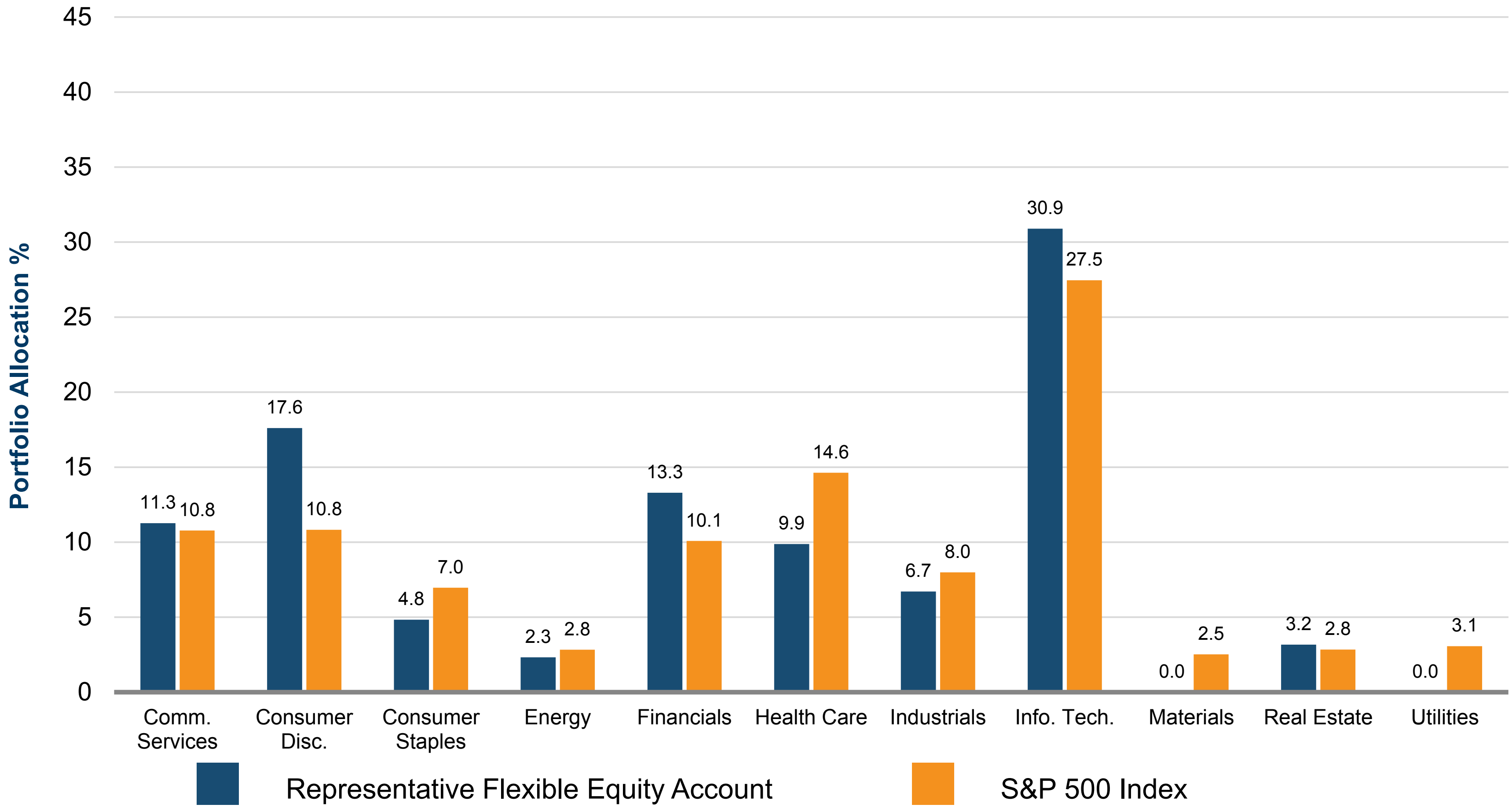
TOP 10 HOLDINGS	% OF PORTFOLIO
Microsoft Corp.	5.9
Visa Inc.	5.9
Mastercard Inc.	5.4
Alphabet (Class A & C)*	5.0
Facebook Inc.	4.5
Lowe's Companies, Inc.	4.1
Apple Inc.	4.0
CarMax Inc.	3.7
UnitedHealth Group Inc.	3.2
Berkshire Hathaway Inc. Cl B	3.2
Total	**44.9%**

Source: FactSet. *Alphabet Inc. represents a 2.2% holding position in class A and 2.9% in class C shares of the stock. 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 Flexible Equity account and is provided as supplemental information. Please see disclosure statement at the end of this presentation for additional information. Figures in chart may not total due to rounding.

Second Quarter 2020

SECTOR DIVERSIFICATION

Global Industry Classification Standard (GICS) as of 06/30/2020



Source: FactSet. The portfolio information provided is based on a representative Flexible Equity 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 disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

DISCLOSURES

For institutional investors and professional clients only.

Past performance may not be a reliable guide to future performance and investors may not get back the amount invested. All investments involve risk. The value of the investment and the income from it will vary. There is no guarantee that the initial investment will be returned.

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.

The **S&P 500® Index** represents the large-cap segment of the U.S. equity markets and consists of approximately 500 leading companies in leading industries of the U.S. economy. Criteria evaluated include market capitalization, financial viability, liquidity, public float, sector representation and corporate structure. An index constituent must also be considered a U.S. company. Standard & Poor's, S&P, and S&P 500® are trademarks/service marks of MSCI and Standard & Poor's.

An investor cannot invest directly into an index.

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

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

DISCLOSURES

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.

The **Total Return** of an equity security is the sum of the return from price movement and the return due to dividend payments or other sources of income. Standard benchmark-, sector- and portfolio-level returns are the sums of the weights of each security multiplied by its return, summed and calculated daily and summed over the period covered by the report or by an otherwise-noted period.

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.

Contribution To Return is calculated by multiplying a security's beginning weight in the portfolio by the security's return on a daily basis, and geometrically linking the return to the reporting period.

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.

Price-Earnings Ratio (P/E Ratio) is the ratio of the share of a company's stock compared to its per-share earnings. P/E 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. Calculated as a weighted harmonic average.

Earnings Growth 3-5 Year Est. is the average predicted annual earnings growth over the next three to five years based on estimates provided to FactSet by various outside brokerage firms, calculated according to each broker's methodology. Calculated as weighted average.

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. Calculated as weighted average.

Portfolio Turnover is the ratio of the lesser of the portfolio's aggregate purchases or sales during a given period, divided by the average value of the portfolio during that period, calculated on a monthly basis. Portfolio turnover is provided for a three-year trailing period.

All of the above ratios for a portfolio are expressed as a weighted average of the relevant ratios of each portfolio holding, EXCEPT for P/E ratios, which are expressed as a weighted harmonic average.

INSTITUTIONAL FLEXIBLE EQUITY 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)*
2019	37.3	36.8	31.5	12.8	11.9	42	0.4	2,196	42,426
2018	-3.3	-3.7	-4.4	12.3	10.8	41	0.3	2,263	30.529
2017	25.1	24.6	21.8	11.4	9.9	50	0.3	2,912	33,155
2016	9.9	9.4	12.0	12.1	10.6	52	0.2	2,883	30,417
2015	-2.0	-2.4	1.4	11.1	10.5	56	0.2	2,686	43,746
2014	14.0	13.5	13.7	9.2	9.0	49	0.2	3,195	44,772
2013	37.5	36.9	32.4	11.9	11.9	44	0.4	2,247	40,739
2012	19.9	19.5	16.0	14.6	15.1	40	0.3	1,818	26,794
2011	5.8	5.4	2.1	18.5	18.7	43	1.1	1,714	19,962
2010	11.1	10.3	15.1	22.7	21.9	45	0.7	1,811	16,859
2009	37.1	36.0	26.5	21.3	19.6	48	3.4	1,905	11,058

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, 2019. 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 Institutional Flexible Equity Composite (the Composite) includes all actual, discretionary, institutional accounts with a flexible value equity objective of 100%. The strategy seeks bargains in "value" as well as "growth" stocks and invests primarily in the common stock of domestic companies with market capitalizations greater than $2 billion at the time of purchase. As of January 1, 2013, the minimum account market value required for Composite inclusion is $1.5 million. Prior to August 2013, the name of the Composite was Institutional Flexible Value. The strategy remains the same.
3. The Composite was created in 1985. The Composite inception date is January 1, 1985.
4. The benchmark is the S&P 500® Index. The S&P 500 Index is a capitalization-weighted index of 500 stocks that is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. Index returns assume reinvestment of dividends and do not reflect any fees or expenses. An investor cannot invest directly into an index. Benchmark returns are not covered by the report of the independent verifiers. Standard & Poor's, S&P ®, and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"), a subsidiary of S&P Global Inc.
5. 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.
6. Between October 2006 and December 2008, a significant cash flow policy was adopted for the Composite. A significant cash flow is defined as a single flow of cash or securities of more than 25% of the portfolio's market value at prior month end. Accounts with significant cash flows are excluded from the Composite for a grace period, defined as the month during which the flow occurred. Additional information regarding significant cash flow policies are available upon request.
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-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. Prior to 2011, net performance is based on a model fee using the highest fee in effect, 0.75% applied quarterly. For periods after 2011 actual fees are used to calculate net returns. The standard management fee schedule is as follows: 0.60% on the first $25 million; 0.50% on the next $25 million; 0.45% on the next $50 million; and 0.40% on the balance over $100 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.
8. 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.
9. Valuations and performance returns are computed and stated in U.S. Dollars. All returns reflect the reinvestment of income and other earnings.
10. A complete list of composite descriptions, policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.
11. Past performance is not indicative of future results.
12. 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.