

Emerging Markets Small-Cap Fund

SUBADVISED BY MACQUARIE FUNDS MANAGEMENT HONG KONG LIMITED

Investor: **BIANX** Institutional: **BAFNX**

First Quarter 2017

DIVERSIFIED EMERGING MARKETS

WHY INVEST IN EMERGING MARKETS SMALL-CAP?

The Fund seeks to exploit inefficiencies inherent in emerging markets. Compared to developed markets, many regions in Asia, Latin America, Eastern Europe, Africa and the Middle East are experiencing above-average economic growth. A number of countries in these regions have low levels of public debt and are investing heavily in infrastructure. This is one of many factors driving rapid urbanization and a growing middle-class emerging-markets consumer, which is creating higher domestic consumption and overall economic growth. We believe smaller companies with sound business models are best positioned to potentially benefit from higher demand in these regions.

The manager believes that a bottom-up, fundamental approach is critical to generating attractive performance. The manager seeks high-quality companies that offer above-average growth potential that we believe are underappreciated by the market. To identify those opportunities, investment teams must be capable of performing deep analysis of non-standardized financial statements and corporate governance practices in order to potentially mitigate inherent risks in emerging-markets investing.

Brown Advisory seeks to partner with investment managers that hold many of the same beliefs we possess. We look for managers with extensive research teams that follow a disciplined, bottom-up, fundamental investment approach. They must generally invest in high-conviction, low-turnover portfolios with a long-term orientation, and must demonstrate a deep knowledge and understanding of local emerging markets where we are invested.



Investment Advisor: Brown Advisory LLC | Portfolio Manager: Paul J. Chew, CFA

Sub-Advisor: Macquarie Funds Management Hong Kong Limited | Portfolio Managers: John Bugg, CFA and Sam Le Cornu

Benchmark Index: MSCI Emerging Markets Small-Cap Index

OBJECTIVE

The Emerging Markets Small-Cap Fund seeks to achieve total return by investing principally in equity securities issued by small-capitalization companies established or operating in emerging markets.

FUND PROFILE

Inception Date	11/21/2014
# of Holdings	64
Expense Ratio	
Investor Class (BIANX)	1.69%
Institutional Class (BAFNX)	1.54%
Minimum Investment	
Investor Class (BIANX)	\$100
Institutional Class (BAFNX)	\$1,000,000

POTENTIAL BENEFITS OF APPROACH

Diversification by investment manager, investment style, country and sector

Access to institutionally oriented investment managers that we believe are capable of generating alpha⁶

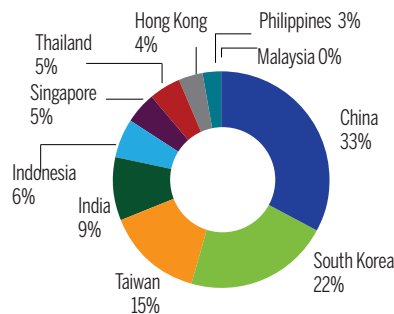
Constant scrutiny of the underlying managers' adherence to philosophy, investment style and process by the Adviser

SUITABILITY

This Fund may be appropriate for investors seeking high-growth investments and enhanced diversification, and comfortable with higher risks and volatility associated with emerging-markets exposure.

GEOGRAPHIC DIVERSIFICATION

Country Composition
As of 03/31/2017



FUND

Country	Percentage
China	33.0%
South Korea	21.5
Taiwan	14.6
India	9.4
Indonesia	5.7
Singapore	4.8
Thailand	4.7
Hong Kong	3.6
Philippines	2.7
Malaysia	--

Source: Macquarie Funds Management Hong Kong Limited
Numbers may not total due to rounding. Geographic diversification excludes cash and equivalents.

SECTOR DIVERSIFICATION

As of 03/31/2017	BIANX
Consumer Discretionary	23.6%
Consumer Staples	6.6
Energy	1.5
Financials	13.9
Health Care	11.8
Industrials	14.8
Info. Technology	20.0
Materials	5.2
Real Estate	1.6
Telecomm. Services	1.0
Utilities	--

Source: Macquarie Funds Management Hong Kong Limited. Sectors are based on the Global Industry Classification Standard (GICS®) classification system. Sector diversification excludes cash and equivalents. Numbers may not total due to rounding.

CHARACTERISTICS

As of 03/31/2017	BIANX
Weighted Avg. Market Capitalization (\$B) ¹	3.6
Earnings Growth (2 Yr. Fwd. Est.) ²	10.3%
P/E Ratio (FY1 Est.) ³	13.7x
Price/Book Ratio (TTM) ⁴	1.8x
Price/Cash Flow Ratio (TTM) ⁵	9.7x

Source: Macquarie Funds Management Hong Kong Limited. Price to Book Ratio figures derived from FactSet. **Earnings growth 2 year forward estimate is not a measure of the Fund's future performance.** Characteristics exclude cash and equivalents.

AVERAGE ANNUAL TOTAL RETURNS % (As of 03/31/2017)

	3 MOS.	1 YR	INCEPTION
Brown Advisory Emerging Markets Small-Cap Fund			
Investor Class - BIANX Inception: 11/21/2014	14.69	3.65	-0.96
Institutional Class - BAFNX Inception: 11/21/2014	14.63	3.75	-0.83
MSCI Emerging Markets Small-Cap Index	13.02	14.49	1.76
Excess Return vs. Index (Investor Class, 11/21/2014)	1.67	-10.84	-2.72
MSCI Emerging Markets Asia Small-Cap Index	13.66	12.91	3.34
Excess Return vs. Index (Investor Class, 11/21/2014)	1.03	-9.26	-4.30

Gross Expense Ratios: 1.69% (Investor), 1.54% (Institutional) Source: U.S. Bank

Performance data quoted represents past performance and is no guarantee of future results. Performance for periods greater than one year is annualized. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Shares redeemed or exchanged within 14 days of purchase will be charged a 1.00% fee. Performance data quoted does not reflect the redemption or exchange fee. If reflected, total returns would be reduced. For the most recent month end performance, please call 1-800-540-6807.

TOP 10 PORTFOLIO HOLDINGS

Shown as a % of total net assets

Cash & Equivalents	5.2
China State Construction International	3.7
Korea Kolmar Co Ltd	3.5
Haier Electronics Group Co Ltd	2.7
Shriram Transport Finance Co Ltd	2.6
Zhejiang Expressway Co Ltd	2.6
Dish TV India Ltd	2.1
Hyundai Engineering & Construction Co Ltd	2.1
St Shine Optical Co Ltd	2.0
Guotai Junan International Holdings Ltd	2.0
Total	28.5

Source: U.S. Bank. Top 10 portfolio holdings include cash and equivalents. Numbers may not total due to rounding.

EXPERIENCED MANAGEMENT



PAUL J. CHEW, CFA

Chief Investment Officer, Portfolio Manager, Brown Advisory

Paul Chew serves as the firm's Chief Investment Officer. He is responsible for leading the firm's internally managed investment strategies and its open-architecture and asset-allocation efforts. Paul joined Brown Advisory in 1995 and has over 20 years of investment experience. He obtained his BA from Mount St. Mary's and his MBA from Duke University.

Industry experience dating from 1989; joined Brown Advisory in 1995; manager since fund inception

JOHN BUGG, CFA

Portfolio Manager, Co-Head of Asian Listed Equities, Macquarie Asset Management

20 years industry experience; manager since fund inception

SAM LE CORNU

Portfolio Manager, Co-Head of Asian Listed Equities, Macquarie Asset Management

15 years industry experience; manager since fund inception

BROWN ADVISORY: AN INDEPENDENT INVESTMENT FIRM

that offers a wide range of solutions to institutions, corporations, nonprofits, families and individuals. Our mission is to make a material and positive difference in the lives of our clients by providing them first-rate investment performance, customized strategic advice and the highest level of personalized service.

- Founded in 1993
- Independent since 1998
- 100% of colleagues collectively own approximately 70% of the firm

Before investing, you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the summary or statutory prospectus. A copy of which can be obtained by calling 1-800-540-6807 or visiting the Fund's website, www.brownadvisoryfunds.com. Please read the prospectus carefully before investing.

The Fund may invest in foreign securities which involve political, economic and currency risks, greater volatility and differences in accounting methods. These risks are greater for investments in emerging markets. Investments in small and medium capitalization companies generally carry greater risk than is customarily associated with larger companies for various reasons such as narrower markets, limited financial resources and less liquid stock. The Fund may invest in ETFs, which may trade at a discount to the aggregate value of the underlying securities and although expense ratios for ETFs are generally low, frequent trading of ETFs by the Fund can generate brokerage expenses. In addition, the fund is susceptible to risks from investments in derivatives, private placements, REITs, and its investments in other investment companies.

Fund holdings and/or sector allocations are subject to change at any time. 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.

Diversification does not assure a profit, nor does it protect against a loss in a declining market.

The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor's. "Global Industry Classification Standard (GICS)", "GICS" and "GICS Direct" are service marks of Standard & Poor's and MSCI. "GICS" is a trademark of MSCI and Standard & Poor's.

The **MSCI Emerging Markets Index** is a free float adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of 23 emerging market country indexes. The **MSCI Emerging Markets Asia Small-Cap Index** captures small cap representation across eight Emerging Markets countries. It is not possible to invest directly in an index. All MSCI indexes and products are trademarks and service marks of MSCI or its subsidiaries.

Terms and Definitions for Fund Characteristics

1. Market Capitalization is the value of the fund as determined by the market price of its issued and outstanding stock. The Weighted Average Market Capitalization of a portfolio equals 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).
2. Earnings Growth 2-year Forward Est. is the forecasted growth rate of a company's earnings per share. Estimated EPS Growth Rate is not a measure of the Fund's future performance.
3. Price-Earnings Ratio (P/E Ratio) is determined by dividing the price of the stock by the company's forecasted earnings per share. P/E calculations presented with FY1 earnings estimates refer to the next unreported fiscal year.
4. Price to Book ratio is determined by dividing the price of the stock by the company's book value. Figures are derived from FactSet as of 03/31/2017.
5. Price to Cash Flow ratio is determined by dividing the price of the stock by the per-share operating cash flow. One year period ended last day of previous month. Not valid for accounts open less than one year.
6. Alpha is a measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index.

Macquarie Funds Management is the subadvisor of the Fund and is not affiliated with Quasar Distributors, LLC. The Brown Advisory Funds are distributed by Quasar Distributors, LLC.