



Greenwich United Way

Board Presentation July 15, 2020

YOUR TEAM

Brown Advisory

YOUR BROWN ADVISORY TEAM



Performance



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ADDITIONAL RESOURCES

Compliance

Technology

Operations

Investment Solutions Group (ISG)

Equity Research

Fixed Income Research

Strategic Advisory

Trading

Reporting

OVERVIEW

Brown Advisory



1998

The year Brown Advisory became a private and independent firm, via a buyout led by management and investment teams.



\$73 billion

Total client assets as of March 31, 2020.



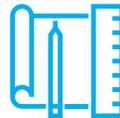
690+ colleagues

Colleagues work alongside each other in support of Brown Advisory's client-focused mission.



**Global
Perspective,
Local Presence**

Offices in the United States, Europe and Asia give us a diverse perspective for building comprehensive solutions.



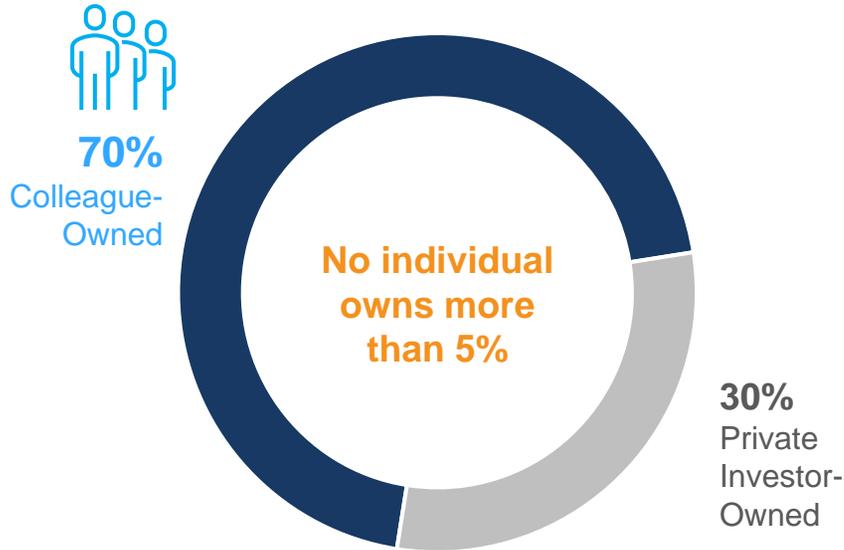
98% retention

Average annual percentage of clients we have retained over the past 10 years, as of December 31, 2019.

Brown Advisory is a private, independent investment and strategic advisory firm.

We partner with our clients to make a material and positive difference in their lives. We are committed to delivering a combination of first-class investment performance, creative and thoughtful strategic advice, and the highest level of service.

OUR STRUCTURE IS DESIGNED TO SERVE



Our Equity Structure

Every colleague, at every level, is awarded a stake in the company. Our colleagues collectively own approximately 70% of all outstanding equity.

No one individual owns more than 5%.

The remainder is held by a small group of clients, directors and private investors who are committed to building a multigenerational, client-first firm.

Private. We are a privately owned firm and intend to remain that way. It enables our focus on meeting clients' long-term needs, rather than short-term financial pressures that can distract publicly traded companies.

Partnership Culture. Colleague-based ownership creates a culture that breeds collaboration. Because we are all owners of the firm, we have an incentive to support each and every one of our clients.

Talent. The prospect of shared ownership allows us to attract and retain first-class talent. Throughout our history, we have had low colleague turnover, especially among our client and investment teams.

Continuity. Our shared and dispersed ownership helps prevent situations that force other firms to explore a sale or other strategic alternatives. We believe this stability positions us well to be a reliable partner for our clients for generations to come.

Client and investment team turnover data is as of March 31, 2020. Please note the equity structure graph is meant for illustrative purposes only. The graph does not represent the exact shares split out among members of the firm, private investors or members of the board. Please see the end of this presentation for important disclosures.

Our purpose is to

RAISE THE FUTURE

It is a big statement, a tall order and a moving target all at the same time. It is also meant to embody, in just three short words, our firm's purpose.

Our energy, effort and focus are all aimed at elevating the potential of tomorrow for our clients, colleagues and communities. We believe that if we are successful in the pursuit of our tomorrow-based purpose, those whom we count as stakeholders will share in the value that our collective future holds.

Our mission is to meet the performance, advice and service needs of our clients, but this purpose—our purpose—is to leave a positive, material and indelible mark on their legacies and, in turn, to make a significant impact on our communities at large.

THE FOUR C'S

What we strive to be

CLIENT first

Helping clients get “there” defines our mission.

COLLEAGUE driven

Uncompromising commitment to integrity, excellence and inclusivity guide our way.

COMMUNITY focused

Recognition of our responsibility for the future inspires our purpose.

CULTURE led

Shared passion and commitment leads to our clients' success.

WHY BROWN ADVISORY?

Ownership Mindset

Private and independent ownership since 1998

Each colleague at every level owns equity in the firm—comprising 70% of all outstanding shares—with no one shareholder owning more than 4%.

Offers flexibility to shape our business to provide the best solutions for clients, allows us to attract and retain top talent, and aligns the interests of our colleagues with those of our clients.

Investment Platform

- We are investors with a view, not consultants providing a menu of options: Our robust open architecture platform allows us to custom tailor a portfolio to our clients' needs.
- Our “right size” allows us access to a broader universe of managers than smaller firms, without the capacity constraints of larger firms.

Strategic Advice Capabilities for Endowments and Foundations

- Investment committee members and board members are largely volunteer positions—our strategic advisors are an extension of your efforts.
- Our strategic advisory team helps our clients think through complex issues, including governance, board education, donor development, planned giving, and mission alignment, in the your investment portfolio.

Long-Term Commitment to Mission-Aligned Investing

- Since our founding, we have served clients with mission-aligned portfolio mandates.
- We understand the nuance involved with building a mission-aligned investment portfolio and can help clients think through a variety of options while educating key stakeholders. Today, as a firm, we manage just over \$4.5 billion of mission-aligned client assets.

MARKET UPDATE

Brown Advisory

MARKET RECAP

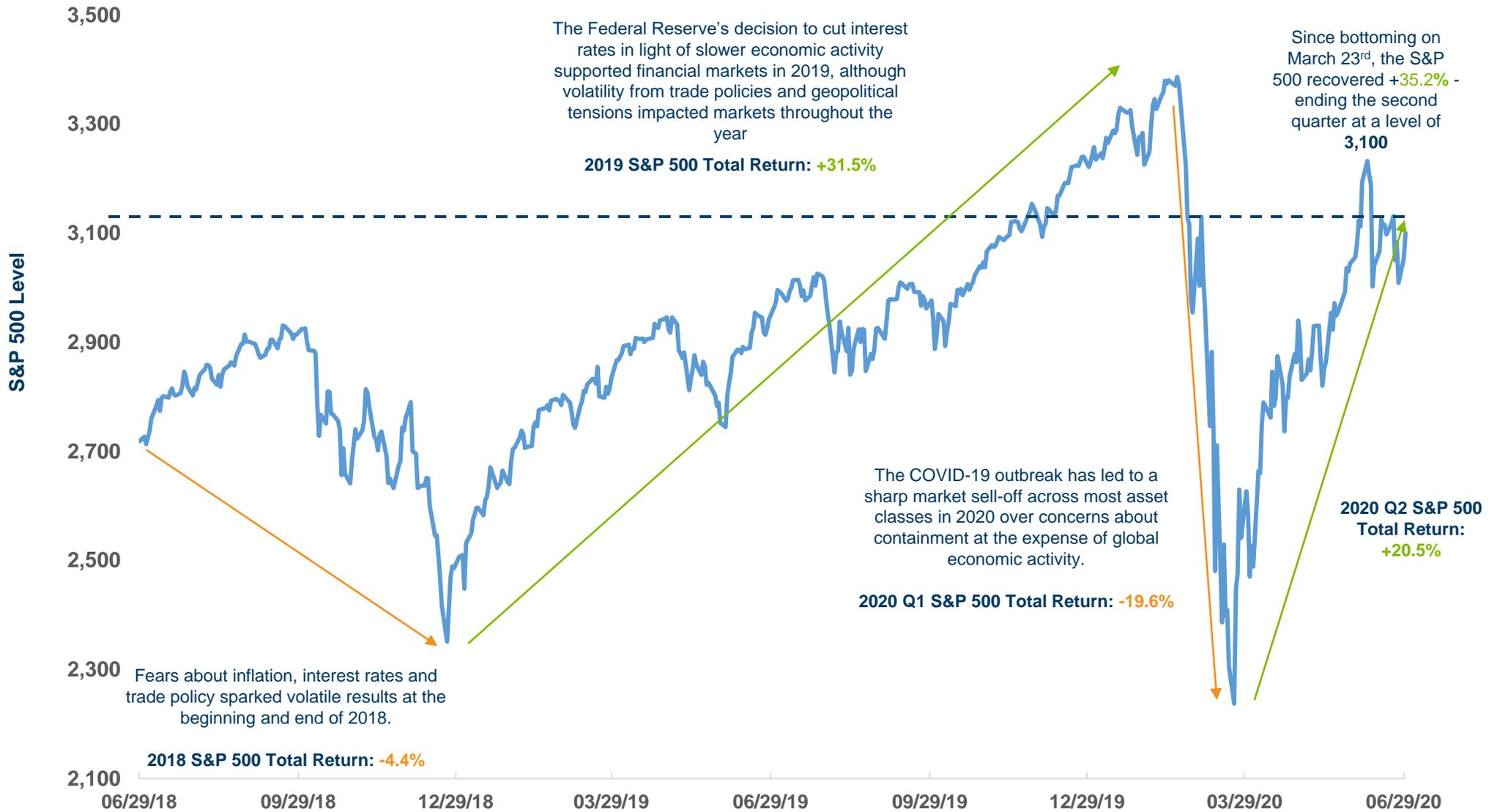
As of June 30, 2020

- Governments and central banks have injected significant amounts of fiscal and monetary stimulus to support businesses and individuals through the economic consequences of the pandemic. Investors have rallied behind these efforts—following the market sell-off in the first quarter, the S&P 500 closed the **second quarter with its strongest quarterly return since 1998**.
- However, the markets have largely overlooked negative headlines, including a surge in infections in the South and West, high unemployment, dividend cuts, companies pulling forward earnings guidance, a ramp up in U.S. – China tensions and civil unrest.
 - U.S. equities, as measured by the S&P 500, rose sharply in the second quarter increasing **+20.5%** and U.S. small cap stocks rallied more than **+25%**.
- **Investors have rewarded growth-oriented stocks** with higher valuations as these companies generally have lower leverage, stronger margins and are in less cyclical industries. The dispersion between growth and value sectors remains wide – US large growth has increased nearly **+10%** in 2020 while US large value declined **-16%**. In US small cap, growth has outperformed value by **20%**.
 - Large technology companies were a key driver with Microsoft **+27%**, Apple **+43%**, Amazon **41%** and Google **+23%**. These four companies make up **~20%** of the S&P 500.
- Developed International markets (MSCI EAFE index), **rose 14.9% in the second quarter**, but continued to lag U.S. equities. The regions slower fiscal and monetary response and structural economic challenges contributed to the regions underperformance.
- Emerging Market equities outperformed Developed International equities, but lagged U.S. equities. Emerging Asia, in particular, experienced tailwinds as a result of the region’s ability to handle the pandemic and high exposure to structural growth trends.
- In fixed income markets, **corporate credit markets have generally recovered** and spreads have tightened. Municipal markets, which experienced outflows in March, are now experiencing improved liquidity.

Total Returns	QTD	YTD	2019	Trailing 3-Years	Trailing 10-Years
Large-Cap U.S. Equities S&P 500 [®] Index	20.5%	-3.1%	31.5%	10.7%	14.0%
Small-Cap U.S. Equities Russell 2000 [®] Index	25.4%	-13.0%	25.5%	2.0%	10.5%
Developed Int’l. Equities MSCI EAFE Index	14.9%	-11.3%	22.0%	0.8%	5.7%
Emerging-Market Equities MSCI Emerging Markets Index	18.1%	-9.8%	18.4%	1.9%	3.3%
Inv.-Grade Fixed Income Bloomberg Barclays Aggregate Bond Index	2.9%	6.1%	8.7%	5.3%	3.8%
Municipal Fixed Income Bloomberg Barclays Municipal Bond 1-9 Year Index	2.6%	2.0%	5.0%	2.9%	2.7%
High-Yield Fixed Income Bloomberg Barclays U.S. Corporate High Yield Index	10.2%	-3.8%	14.3%	3.3%	6.7%
Commodities Bloomberg Commodity Index	5.1%	-19.4%	7.7%	-6.1%	-5.8%

FINANCIAL MARKETS TIMELINE

As of June 30, 2020



DESPITE PROGRESS, UNCERTAINTY REMAINS ELEVATED

As of June 30, 2020

The COVID-19 outbreak presents a range of challenges that create uncertainty in the outlook (positive and negative). Therefore, we maintain a balanced approach to the situation.

What Are Potential Sources of Optimism?

- The level of monetary and fiscal stimulus has been historic.
- Positive economic data in May suggests that the economy is rebounding.
- Companies are adapting and continue to generate meaningful business activity.
- There is a potential for an additional round of fiscal stimulus, along with continued monetary easing.
- There appears to be progress in developing vaccines or medical treatments.
- There is a historically elevated equity risk premium relative to low cash and bond yields.

What Are Causes for Concern?

- The rising infection rates in parts of the U.S. and developing countries highlight a risk of reopening.
- The higher equity market valuations relative to history for U.S. large-cap equities are reasons for caution.
- We believe that the historic labor market disruption will likely defy a quick reversal.
- Consumer and business confidence remain fragile.
- Massive monetary and fiscal stimulus around the globe could have potentially unforeseen consequences.
- Geopolitical uncertainties emanating from renewed U.S./China trade tensions, Brexit and U.S. election.

Source: Brown Advisory Analysis

Note: All commentary is as of 06/30/2020 unless otherwise noted. Please see the end of this presentation for important information.

ASSET ALLOCATION AND PORTFOLIO CONSTRUCTION

Brown Advisory

PORTFOLIO OVERVIEW

Group: Greenwich United Way

As of 06/30/2020

Performance History

Performance Inception Date: 07/31/2017

	Market Value	Quarter to Date	Year to Date	Inception to Date
Cash & Equivalents	\$57,113	0.0	0.3	1.5
Fixed Income	\$1,022,348	7.1	5.5	5.2
Bloomberg Barclays Aggregate		2.9	6.1	5.3
Equities	\$1,558,281	22.9	-2.3	10.2
S&P 500		20.5	-3.1	10.3
MSCI ACWI ex-U.S. Net		16.1	-11.0	-0.1
TOTAL PORTFOLIO - GROSS	\$2,637,742	15.9	0.5	7.8
TOTAL PORTFOLIO - NET	\$2,637,742	15.8	0.2	7.3
Blended Benchmark*		13.6	-0.8	7.3

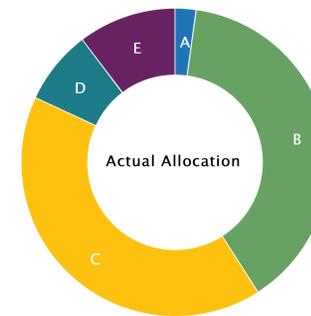
All asset class and sub-category performance returns are gross of account-level management fees, but net of mutual fund expenses and private equity and real estate administrative fees. Investment performance is updated multiple times each month as new information is received. Because of this, returns may vary from previously reported numbers.

All performance and market values shown exclude the value of unsupervised assets, but are inclusive of accrued interest.

*Blend: 35% Barclays Aggregate, 15% MSCI ACWI Ex US, 50% S&P 500.

Performance for periods greater than one year are annualized.

Asset Allocation

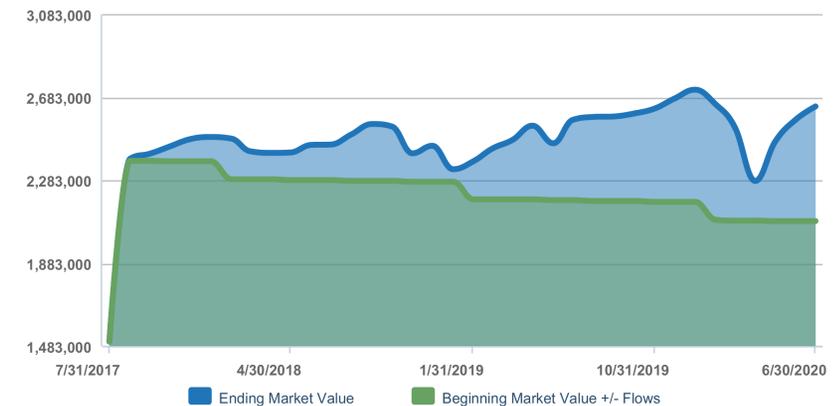


Asset Class	Market Value	Weight
A Cash	57,113	2.2%
B Fixed Income	1,022,348	38.8%
C Large Cap U.S. Equities	1,081,439	41.0%
D Small/Mid Cap U.S. EQY	206,381	7.8%
E Global/Developed Int'l	270,462	10.3%
Total	\$2,637,742	100.0%

Change in Portfolio

	Quarter to Date	Year to Date	Inception to Date 07/31/2017
Beginning Portfolio Value	2,278,601	2,718,297	1,503,880
Net Contributions / Withdrawals	-3,555	-93,881	580,760
Market Value Gain / Loss	353,404	-6,302	312,327
Income	9,292	19,628	240,775
Ending Market Value	\$2,637,742	\$2,637,742	\$2,637,742

Historical Market Value



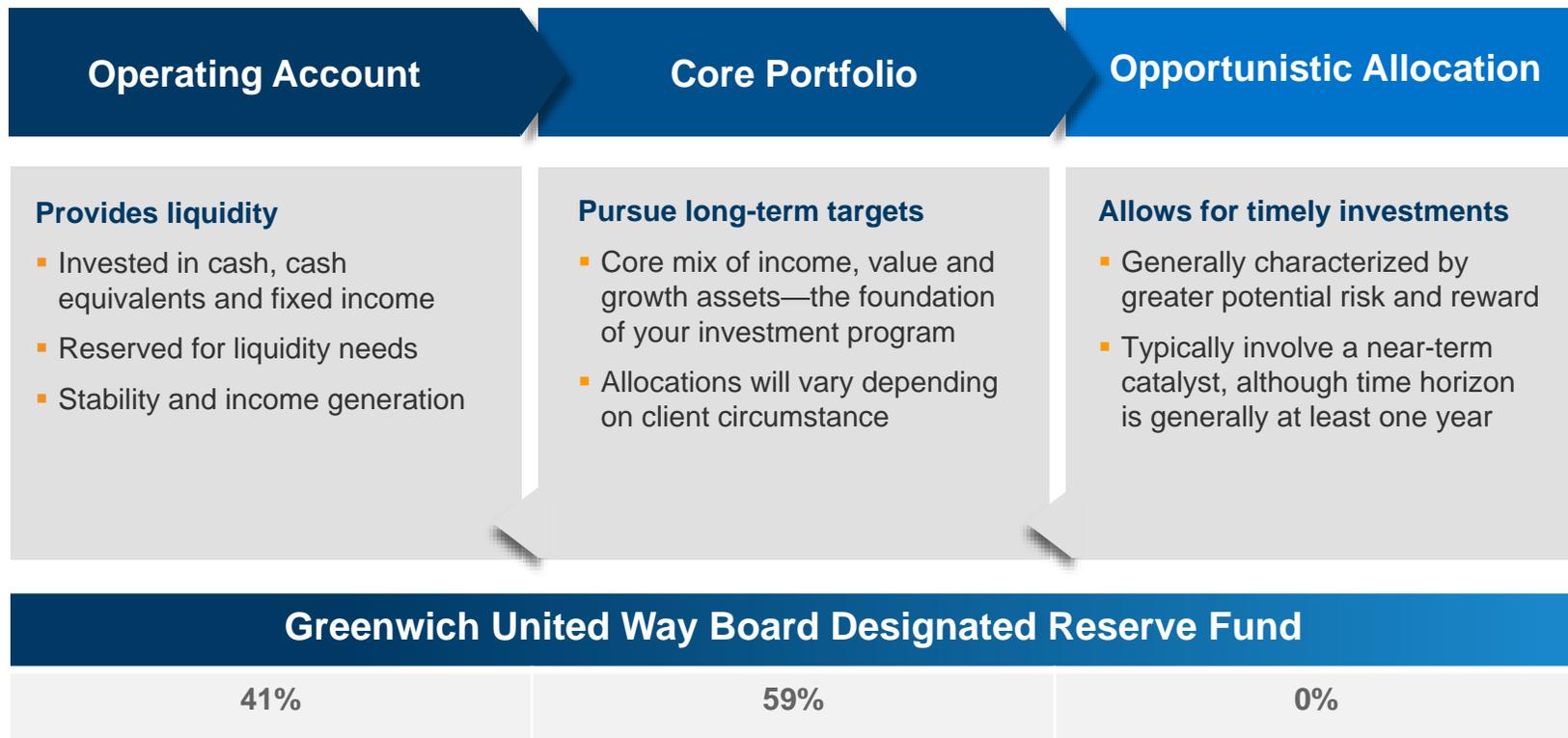
CONSTRUCTING YOUR PORTFOLIO



Balance between liquidity, stability and growth is essential.

- **Liquidity:** ensure that near-term needs do not interrupt long-term plans
- **Stability:** determine proper allocation to more secure holdings
- **Growth:** allocate to both core long-term growth investments and tactical opportunities

To ensure this balance we seek to build your long-term plan around three broad portfolio “buckets” that each serve a distinct purpose.



*Current Allocation as of 6/30/2020

SUMMARY OF INVESTMENT OBJECTIVES



As of June 30, 2020

- It is the general policy of the Greenwich United Way to invest the Board Designated Reserve Fund's investment portfolio to achieve growth in principal value over time sufficient to preserve or increase the capital of the Fund, thus protecting against inflation. Under the terms of the Operating Rules of the Board Designated Reserve Fund, up to 5% of the investment portfolio may be withdrawn on an annual basis.
- The objective of the investment portfolio is to seek a real rate of return of 6% per annum over time. This objective shall be measured over annualized, rolling 3- and 5-year periods; the intent of this objective is to preserve, over time, the principal value of the assets as measured in real, inflation adjusted terms.
- The Board Designated Reserve Fund has a long-term investment horizon. Board Designated Reserve Fund assets will be managed on a total return basis with an emphasis on the growth of capital while being mindful of protecting capital in adverse market conditions.

	Range		Target	Current Allocation	Benchmark
	Lower Bound	Upper Bound			
Cash and Fixed Income	30%	60%	35%	41%	Barclays Aggregate
Equities: US Domestic Large Cap	20%	50%	40%	41%	S&P 500
Equities: Domestic Small/Mid Cap	10%	20%	10%	8%	Russell 2000
Equities: International and Emerging Markets	5%	15%	15%	10%	MSCI ACWI ex US
Alternatives: REITS, Commodities, Hedged Equities, Other	0%	5%	0%	0%	

When constructing a client's custom portfolio, we use three factors.

CLIENT-SPECIFIC CONSIDERATIONS

- Assessment of goals and constraints (from formal investment policy or informal client discovery sessions)
- Individualized parameters (e.g., required long-term return, annual spending rate, acceptable volatility, time horizon)

ASSET ALLOCATION CONSIDERATIONS

- Expected returns based on economic and market factors
- Wide range of risks assessed (drawdown, liquidity, growth sufficiency, potential for permanent impairment)

MANAGER SELECTION CONSIDERATIONS

- Inefficiencies within asset class
- Our confidence in manager capabilities/experience
- Opportunity for alpha generation within manager's investment universe
- Risk factors in the underlying portfolio

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. 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.