

# BBH Select Series - Mid Cap Fund

Fund Fact Sheet / 3Q 2022

## PRINCIPAL STRATEGY AND OBJECTIVES<sup>1</sup>

BBH Select Series – Mid Cap (“the Fund”) seeks to provide investors with long-term growth of capital and to generate attractive returns over time. The Fund employs a disciplined investment approach focused on a concentrated portfolio of durable, well-managed, high-quality, competitively-advantaged businesses that we aim to own at attractive prices.

## INVESTMENT CRITERIA

In our bottom-up investment process, the first priority is to identify eligible companies based on their qualitative attributes. We believe companies that meet our demanding investment criteria are better positioned to withstand periods of economic or financial market weakness and compound capital at attractive rates over time.

Business Attributes:

- Loyal customers
- Essential products and services
- Leadership in attractive markets
- Sustainable competitive advantages

Management Attributes:

- Strong operators with integrity
- Disciplined capital allocation

Financial Attributes:

- High returns on capital
- Strong balance sheet and cash flow

Growth Attributes:

- Long-term growth potential
- Attractive opportunities to reinvest capital

We evaluate corporate culture and environmental, social and governance (ESG<sup>2</sup>) factors as part of our investment research process to help us effectively assess the long-term sustainability and durability of our companies and credits.

The Fund seeks to invest in a limited number of companies, but not less than 20, that meet the investment Adviser’s prescriptive fundamental criteria. Investments may be sold if they appreciate to levels at or near BBH’s estimate of intrinsic value<sup>3</sup>.

## FUND MANAGER



### Timothy Harris

Tim Harris has served as Portfolio Manager of the BBH Select Series – Mid Cap Fund since its inception in May 2021. Tim has previously held a variety of roles within BBH Investment Management, including as a generalist and Senior Equity Analyst for International Equity strategy, as a Senior Equity Analyst covering financials for Global Equity strategy, and when he previously worked at BBH as a founding member of the Concentrated Small and Midcap Equity strategy. Throughout his career, Tim has applied a value-oriented investment approach focused on business quality with a long-term owner mentality. Before re-joining BBH in 2017, Tim was an investment banker and equity capital markets specialist. Tim earned his BA from Tufts University and his MBA from the MIT Sloan School of Management.

## PRINCIPLES OF EQUITY INVESTING

### Active Management

- Concentrated holdings; portfolio construction is sector and benchmark agnostic
- Primary due diligence incorporating deep fundamental analysis
- Investment team of generalists, leveraging diverse backgrounds

### Value-oriented

- Purchase businesses at a discount to their intrinsic values
- Use a valuation approach based on long-term forecasts
- Apply a trim/sell discipline that is valuation sensitive

### Long-term Perspective

- Seek to invest in outstanding businesses that can grow their intrinsic value materially over time
- Willing to own companies for many years, through all parts of an economic cycle
- Ongoing company engagement deepens our insights over time

### Durability and Opportunity

- Focus on cash-generative businesses that provide essential products and services, and can prosper in varying economic conditions
- Identify and analyze material ESG-related considerations
- Demand a dual-faceted margin of safety<sup>4</sup> that seeks to mitigate both business risks and price risks

### Discipline and Patience

- Adhere to strict investment criteria
- Seek to avoid low probability, high severity risks
- Exploit divergences between market prices and underlying intrinsic values

<sup>1</sup> There can be no assurance that the Fund will achieve its investment objectives.

<sup>2</sup> A less favorable ESG profile may not preclude the Adviser from investing in a credit, as the consideration of ESG factors is not more influential than the consideration of other investment criteria.

<sup>3</sup> BBH’s estimate of the present value of the cash that a business can generate and distribute to shareholders over its remaining life.

<sup>4</sup> With respect to equity investments, a margin of safety exists when we believe there is a significant discount to intrinsic value at the time of purchase.

BBH Fund Information Service: (800) 625-5759

**Performance**  
As of September 30, 2022

**Total Returns**

**Average Annual Total Returns**

Fund/Benchmark	Total Returns		Average Annual Total Returns				Since Inception
	3 Mo.*	YTD*	1 Yr.	3 Yr.	5 Yr.	10 Yr.	
<b>BBH Select Series - Mid Cap Fund (Class I)</b>	0.24%	-25.73%	-16.37%	N/A	N/A	N/A	-11.86%
<b>Russell Midcap Index</b>	-3.44%	-24.27%	-19.39%	N/A	N/A	N/A	-13.80%
Class I: Net/Gross Expense Ratio (%) 0.90 / 2.46; Inception Date - 5/24/2021							All performance is net of fees Sources: BBH & Co. and Russell

\* Returns are not annualized.

Brown Brothers Harriman & Co., through a separately identifiable department ("Investment Advisor") has contractually agreed to limit the Total Annual Fund Operating Expenses excluding certain expenses to 0.90% through March 1, 2023. Total Annual Fund Operating Expenses are based on estimated amounts for the current fiscal year.

**Performance data quotes represents past performance. Past performance does not guarantee future results, and current performance may be lower or higher than the past performance data quoted. The investment return and principal value will fluctuate and shares, when sold, may be worth more or less than the original cost. For performance current to the most recent month-end please call 1-800-625-5759. Shares redeemed within 30 days of purchase are subject to a redemption fee of 2%.**

The Russell Midcap Index is a market capitalization-weighted index comprised of approximately 800 publicly traded U.S. companies with market caps of between \$1 and \$66 billion. The index is not available for direct investment. The composition of the index is materially different than the Fund's holdings.

**Share Class Overview**  
As of September 30, 2022

	Ticker	Inception Date	Total Net Assets (mil)	NAV
<b>Class I</b>	BBMIX	05/24/2021	\$11.5	\$8.43

**Equity Weighting**  
As of September 30, 2022

Common Stock	98.3%
Cash and Cash Equivalents	1.7%
<b>Total</b>	<b>100.0%</b>

**Sector Distribution**  
As of September 30, 2022

Communication Services	3.8%
Consumer Discretionary	9.2%
Consumer Staples	0.0%
Energy	2.6%
Financials	14.1%
Health Care	13.7%
Industrials	23.5%
Information Technology	22.0%
Materials	11.1%
Real Estate	0.0%
Utilities	0.0%
<b>Total</b>	<b>100.0%</b>

**Top 10 Companies**  
As of September 30, 2022

AMN Healthcare Services Inc	6.2%
Watsco Inc	6.2%
Charles River Laboratories International Inc	6.1%
Brown & Brown Inc	5.8%
Crown Holdings Inc	5.5%
Entegris Inc	5.5%
Advanced Drainage Systems Inc	5.4%
NVR Inc	4.5%
LPL Financial Holdings Inc	4.3%
Arista Networks Inc	4.3%
<b>Total</b>	<b>53.8%</b>

Reported as a percentage of portfolio securities.

Reported as a percentage of total portfolio.

Portfolio holdings and characteristics are subject to change. Totals may not sum due to rounding.

Price/Earnings (P/E) ratio is a company's current share price divided by earnings per-share.

Turnover ratio is the rate of trading in a portfolio; higher values imply more frequent trading.

Opinions, forecasts, and discussions about investment strategies represent the author's views as of the date of this commentary and are subject to change without notice. References to specific securities, asset classes, and financial markets are for illustrative purposes only and are not intended to be, and should not be interpreted as recommendations.

Purchase and sale information provided should not be considered as a recommendation to purchase or sell a particular security and that there is no assurance, as of the date of publication, that the securities purchased remain in a fund's portfolio or that securities sold have not been repurchased.

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## RISKS

Investors in the Fund should be able to withstand short-term fluctuations in the equity markets and fixed income markets in return for potentially higher returns over the long term. The value of portfolios changes every day and can be affected by changes in interest rates, general market conditions and other political, social and economic developments.

The Fund is 'non-diversified' and may assume large positions in a small number of issuers which can increase the potential for greater price fluctuation.

Foreign investing involves special risks including currency risk, increased volatility, political risks, and differences in auditing and other financial standards.

Investing in small or medium sized companies typically exhibit greater risk and higher volatility than larger, more established companies.

Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs may be highly volatile or may decline shortly after the IPO. Asset allocation decisions by a large investor or an investment adviser, particularly large redemptions, may adversely impact remaining Fund shareholders.

Considering ESG factors as part of investment decisions may result in the fund forgoing otherwise attractive opportunities, which may result in lower performance when compared to funds that do not consider ESG factors.

**For more complete information, visit [www.bbhfunds.com](http://www.bbhfunds.com) for a prospectus. You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. Information about these and other important subjects is in the fund's prospectus, which you should read carefully before investing.**

Shares of the Fund are distributed by ALPS Distributors, Inc. and is located at 1290 Broadway, Suite 1000, Denver, CO 80203.

Brown Brothers Harriman & Co. ("BBH"), a New York limited partnership, was founded in 1818 and provides investment advice to registered mutual funds through a separately identifiable department (the "SID"). The SID is registered with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940.

**Not FDIC Insured**

**No Bank Guarantee**

**May Lose Money**

**BBH Fund Information Service: (800) 625-5759**

IM-11760-2022-10-11

Exp. Date 01/31/2023

BBH003549 (07/2024)