

BBH Select Series - Large Cap Fund

Quarterly Fund Update / 4Q 2022

4Q Highlights

- BBH Select Series – Large Cap Fund (“the Fund”) gained 9.12% in the fourth quarter compared to 7.56% for the benchmark S&P 500 Index.
- Activity during the period was modest with additions to Booking Holdings (BKNG), Celanese (CE), Texas Instruments (TXN), and Signature Bank (SBNY). Shares of Pool Corp (POOL) were fully redeemed.
- Without a clear sense of the ultimate impact of the Federal Reserve’s historic actions, uncertainty remains high, raising the likelihood of continuing volatility.

Market Overview

The S&P 500 staged a strong fourth quarter rally in response to moderating inflation, resilient consumer spending, stable interest rates, a declining Dollar, and a reversal of China’s zero-COVID policy. Market breadth was positive with nine of the 11 S&P 500 sectors advancing, led by the Energy, Industrials, and Materials sectors. Consumer Discretionary and Communication Services sectors were areas of relative weakness, reflecting continuing inventory imbalances, uncertainty around evolving consumer behavior, and moderating advertising spending. The market’s focus has turned to earnings durability in the context of moderating economic conditions, elevated inflation, restrictive monetary policy, lingering supply chain imbalances, and tight labor markets. Without a clear sense of the ultimate impact of the Federal Reserve’s historic actions, uncertainty remains high, raising the likelihood of continuing volatility.

Portfolio Commentary

The BBH Select Series – Large Cap Fund (“the Fund”) gained 9.12% in the fourth quarter compared to 7.56% for the benchmark S&P 500 Index. At the portfolio level, outperformance was driven by positive security selection in the Information Technology and Consumer Discretionary sectors, as well as an overweight allocation to the Financial Services sector. At the security level, top contributors included Mastercard (MA), NIKE (NKE), and Linde (LIN). On the other hand, primary detractors were Amazon.com (AMZN), Alphabet (GOOG), and Signature Bank (SBNY). At quarter-end, the portfolio held 29 securities, 48% in the top 10, 2% in cash, and traded at 77% of our estimate of intrinsic value.¹ Activity during the period was modest with additions to Booking Holdings (BKNG), Celanese (CE), Texas Instruments (TXN), and Signature Bank (SBNY). Shares of Pool Corp (POOL) were fully redeemed.

We sold our investment in industrial distributor POOL for several reasons despite being an excellent fit with our fundamental investment criteria. First, we wanted to reduce exposure to the U.S. residential and commercial real estate markets given current and potential changes to monetary policy. U.S. real estate fundamentals have only just begun to deteriorate, and the risk of further weakening is significant. Second, while the quality and resiliency of the company’s business has improved over the past 15 years, we believe management’s outlook in a recessionary environment is overly optimistic. During the last real estate-led recession, POOL’s revenues and profits declined 20% and 45%, respectively. While we do not believe such a level of operating degradation would be repeated, the company’s suggestion seems optimistic that top line and profit declines would range in the low-to-high single-digit range should a normal recessionary environment develop in 2023. In short, the near-to-medium term operating environment appears challenging, and we believe it is prudent to move to the sidelines.

¹ BBH’s estimate of the present value of the cash that a business can generate over its remaining life.

BBH Fund Information Service: (800) 625-5759

Performance As of December 31, 2022							
	Total Returns		Average Annual Total Returns				
	3 Mo.*	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception
Class I	9.12%	-20.55%	-20.55%	4.30%	N/A	N/A	5.17%
Benchmark	7.56%	-18.11%	-18.11%	7.66%	N/A	N/A	9.78%
Retail Class	9.08%	-20.82%	-20.82%	3.97%	N/A	N/A	4.74%
Benchmark	7.56%	-18.11%	-18.11%	7.66%	N/A	N/A	9.78%

Class I Inception: 09/09/2019
Retail Class Inception: 09/09/2019
Class I: Net/Gross Expense Ratio (%) 0.70 / 0.70
Retail Class: Net/Gross Expense Ratio (%) 1.05 / 2.68
* Returns are not annualized.

The Investment Adviser has contractually agreed to limit the Total Annual Fund Operating Expenses for Retail Class shares to 0.80% until March 1, 2023. After exclusions, total net operating expenses for Retail Class shares will be 1.05%. The Expense Limitation Agreement may only be terminated during its term with approval of the Fund’s Board of Trustees (the “Board”). Funds redeemed within 30 days of purchase are subject to a redemption fee of 2%.

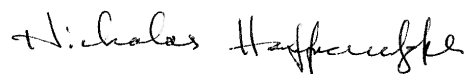
Performance data quoted represents past performance. Past performance does not guarantee future results, and current performance may be lower or higher than the past performance data quoted. The investment return and principal value will fluctuate, and shares, when sold, may be worth more or less than the original cost. For performance current to the most recent month-end please call 1-800-625-5759.

The S&P 500 is an unmanaged weighted index of 500 stocks providing a broad indicator of stock price movements. The composition of the index is materially different than the Fund’s holdings. The index is not available for direct investment.
Sources: BBH & Co. and S&P

Outlook

While we are encouraged to see equities and the Fund recover from mid-October lows, we recognize it has been, and will likely continue to be, a challenging investment environment characterized by persistent inflation, higher interest rates, elevated geopolitical tensions, and slowing economies around the globe. Our focus remains on businesses characterized by durable cash flow and earnings growth, healthy balance sheets, and attractive valuations. From this perspective, we believe the Fund is well-positioned to generate attractive returns and preserve capital through the business cycle.

Respectfully,



Nicholas Haffenreffer
Fund Manager



Holdings As of December 31, 2022	
Berkshire Hathaway Inc (Class A)	6.8%
Mastercard Inc	5.7%
Alphabet Inc (Class C)	5.6%
Linde PLC	5.0%
Arthur J Gallagher & Co	4.7%
Progressive Corp	4.2%
Microsoft Corp	4.2%
Alcon Inc	4.1%
Waste Management Inc	3.6%
Thermo Fisher Scientific Inc	3.6%
Zoetis Inc	3.6%
KLA Corp	3.5%
Costco Wholesale Corp	3.3%
NIKE Inc (Class B)	3.3%
Dollar General Corp	3.0%
Oracle Corp	3.0%
Booking Holdings Inc	2.8%
Copart Inc	2.8%
Graco Inc	2.7%
Texas Instruments Inc	2.6%
Abbott Laboratories	2.6%
Celanese Corp	2.6%
S&P Global Inc	2.5%
A. O. Smith Corp	2.3%
Diageo PLC ADR	2.2%
Adobe Inc	2.1%
Amazon.com Inc	1.9%
Nestle SA ADR	1.8%
Signature Bank	1.8%
Cash & Cash Equivalents	2.0%

Holdings are subject to change.

Share Class Overview
As of December 31, 2022

	Ticker	Inception Date	Total Net Assets (mil)	NAV
Class I	BBLIX	09/09/2019	\$373.9	\$11.23
Retail Class	BBLRX	09/09/2019	\$0.8	\$11.13

Equity Weighting
As of December 31, 2022

Common Stock	98.0%
Cash and Cash Equivalents	2.0%
Total	100.0%

Fund Facts
As of December 31, 2022

Number of Securities Held	29
Average P/E	26.5
Average Market Cap (bil)	\$240.4
Turnover (Rolling 12-Months)	25.84%
Excludes cash equivalents	

Sector Weighting
As of December 31, 2022

Communication Services	5.7%
Consumer Discretionary	11.3%
Consumer Staples	7.5%
Energy	0.0%
Financials	20.3%
Health Care	14.2%
Industrials	11.6%
Information Technology	21.6%
Materials	7.7%
Real Estate	0.0%
Utilities	0.0%
Total	100.0%
Reported as a percentage of portfolio securities, excluding Cash and Cash Equivalents.	

Top 10 Companies
As of December 31, 2022

Berkshire Hathaway Inc	6.8%
Mastercard Inc	5.7%
Alphabet Inc	5.6%
Linde PLC	5.0%
Arthur J Gallagher & Co	4.7%
Progressive Corp	4.2%
Microsoft Corp	4.2%
Alcon Inc	4.1%
Waste Management Inc	3.6%
Thermo Fisher Scientific Inc	3.6%
Total	47.6%
Reported as a percentage of total portfolio.	

Holdings 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.

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.

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

For more complete information, visit www.bbhffunds.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

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Exp. Date 04/30/2023