BBH Select Series - Mid Cap Fund

Quarterly Fund Update / 4Q 2022

4Q Highlights

- The Russell Midcap Index ("the Index") increased 9.18% in the fourth quarter of 2022 on a total return basis, while the BBH Select Series - Mid Cap Fund ("the Fund") increased 1.30%.
- We believe our companies are resilient, but ultimately, they are not immune to the rapid increase in interest rates and accompanying economic slowdown.
- Part of our edge as investors is our long-term investment outlook, which allows us to formulate an investment thesis based on a multi-year horizon.

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	1.30%	-24.76%	-24.76%	N/A	N/A	N/A	-9.36%
Benchmark	9.18%	-17.32%	-17.32%	N/A	N/A	N/A	-6.80%

Class I Inception: 05/24/2021
Class I: Net/Gross Expense Ratio (%) 0.90 / 2.46

* Returns are not annualized.

The 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. The Expense Limitation Agreement may only be terminated during its term with approval of the Fund's Board of Trustees.

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 redeemed, 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, the Fund's benchmark, 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.

Sources: BBH & Co. and Russell

The Russell Midcap Index ("the Index") increased 9.18% in the fourth quarter of 2022 on a total return basis, while the BBH Select Series - Mid Cap Fund ("the Fund") increased 1.30%. Since its inception on May 24, 2021, the Fund has declined by an average annual total return of -9.36% compared to a decline of -6.80% for the Index.

During the fourth quarter, markets rallied as data indicated inflation had peaked and began declining alongside a weakening economy. This raised expectations that the Federal Reserve plans to temper the pace of interest rate increases, which the futures market suggests will peak by mid-2023. Against this backdrop of market optimism for a so-called soft-landing, many of our companies reported disappointing third quarter results and reduced forward guidance. We believe our companies are resilient having weathered the first half of 2022 relatively well, but ultimately, they are not immune to the rapid increase in interest rates and accompanying economic slowdown.

While the price of oil remains more than 30% lower from its highs this summer, Energy[1] was once again the Index's best performing sector, up 16% in the quarter. The Healthcare and Industrials sectors also performed well, up 14% and 13%, respectively. Communication Services was the only sector that declined, off -4%. Information Technology and Real Estate also lagged, up 2% and 4%, respectively. The Fund's allocation effect was largely neutral in the quarter, in contrast to the first half of the year when it was a significant headwind to portfolio performance.

Portfolio Attribution

For the quarter, our largest positive drivers relative to the benchmark were **Archaea Energy Inc.** ("Archaea") and for the second consecutive quarter **Shift4 Payments Inc.** ("Shift4").

[1] The Fund uses GICS sector classifications for evaluating sector weights and performance.

Archaea returned 43.6% following an announcement that BP PLC ("BP") would acquire Archaea at $26 per share, representing a 41% premium at the time of the announcement and a 40% premium to our initial cost basis. BP paid a purchase price of $3.3 billion in cash and assumed $800 million of debt, valuing the company at 4x their projected earnings before interest, taxes, depreciation, and amortization (EBITDA) of $1 billion by 2027. BP previously worked on a small project joint venture with Archaea, and the purchase will add value to Archaea's development pipeline via BP's trading capabilities and existing customer relationships. Archaea's renewable natural gas production will help BP meet their existing bioenergy targets, one of their five strategic transition growth engines, as they aim to reach net zero carbon intensity by 2050. The transaction closed in December, and the Fund no longer has a position in Archaea.

Shift4 returned 25.4% and ended the fourth quarter with a weight of 4.7%. Shift4 is an integrated payments processor specializing in the hospitality vertical, including restaurants, lodging, and leisure. Shift4 is growing rapidly as it adds new merchants, expands into new verticals, and converts existing gateway customers to its end-to-end payment platform. The company reported third quarter results ahead of consensus and again raised guidance as it continues to win market share and executes well on management's growth initiatives. The company also provided a business update at its analyst day showcasing its progress against intermediate term targets, wins in new verticals, and the features of SkyTab POS. As revenues accelerate and margins expand, free cash flow conversion is also increasing. Management is guiding to greater than 45% adjusted free cash flow conversion for Fiscal Year 2022, up from previous guidance of 35%-40%.

The Fund's largest performance detractors relative to the benchmark in the fourth quarter were **Advanced Drainage Systems Inc.** ("Advanced Drainage") and **Entegris Inc.** ("Entegris").

Advanced Drainage declined by -34.0% during the fourth quarter, ending with a weight of 3.6%. Advanced Drainage is the leading manufacturer of thermoplastic pipe and allied products for stormwater and wastewater management. The company reported weak quarterly results below consensus on the top and bottom lines and cut annual revenue guidance while reaffirming annual EBITDA guidance. Management characterized the current environment as a demand inflection in the residential end market, specifically in new housing projects and completions. While housing growth was expected to decline in 2022, the deceleration hit the company about a quarter earlier than expected. The Infiltrator business, which includes septic tanks and leach field components, and retail businesses experienced channel destocking and a non-residential construction slowdown in certain geographies where prior year comparisons were difficult. However, residential land development and non-residential construction demand remained steady, while forward-looking non-residential indicators like quoting activity and project identification remain positive. Hurricane Ian also impacted sales in Florida, the company's largest state as measured by sales.

Holdings As of December 30, 2022	
Charles River Laboratories International Inc	6.8%
Watsco Inc	6.1%
AMN Healthcare Services Inc	5.9%
Crown Holdings Inc	5.6%
Brown & Brown Inc	5.5%
Entegris Inc	5.4%
NVR Inc	5.3%
Shift4 Payments Inc (Class A)	4.7%
Arista Networks Inc	4.7%
Vulcan Materials Co	4.4%
Guidewire Software Inc	4.1%
LPL Financial Holdings Inc	3.9%
HEICO Corp (Class A)	3.8%
Wyndham Hotels & Resorts Inc	3.6%
Take-Two Interactive Software Inc	3.6%
Advanced Drainage Systems Inc	3.6%
SVB Financial Group	3.1%
Mercury Systems Inc	3.0%
Aspen Technology Inc	2.8%
Zebra Technologies Corp (Class A)	2.5%
Graco Inc	2.3%
Toro Co	1.8%
First Advantage Corp	1.8%
AptarGroup Inc	1.7%
Bright Horizons Family Solutions Inc	1.6%
Bruker Corp	1.5%
Cash & Cash Equivalents	0.8%

Holdings are subject to change.

Entegris declined by -20.9% during the quarter, ending with a weight of 5.4%. A key supplier to the semiconductor industry of essential filtration products, materials, and related equipment that enable the high precision fabrication of chips, Entegris reported weaker than expected quarterly results with guidance also below expectations. The company is experiencing headwinds from memory customers reducing output, new Chinese export restrictions announced by the U.S. Department of Commerce, and unfavorable foreign exchange movements; these are all temporarily depressing revenue and margins. However, Entegris' underlying business is outperforming overall industry volumes, and it is progressing well with the integration of the CMC Materials, Inc., which should enable additional share gains alongside significant cost synergies. We remain positive on Entegris' market outlook, which benefits from extremely close customer relationships and an expanding role in continuing manufacturing technology migrations at fabrication plants seeking to maximize utilization and output yield.

Portfolio Changes

We initiated one new position during the fourth quarter in **Zebra Technologies Corp** ("Zebra").

Zebra is a leading provider of solutions in the Automatic Identification and Data Capture ("AIDC") market. Its products include mobile computers, barcode scanners, radio-frequency identification (RFID) readers, specialty printers for barcode labeling, labels and other consumables, machine vision systems, autonomous mobile robots, and software applications. These solutions gather critical operational data from enterprise assets, such as packages moving through supply chains, equipment in factories, workers in warehouses, and shoppers in stores. Zebra is a leader in its markets, holding the #1 market share position in barcode printing (~50% market share), enterprise mobile computing (~50% market share), and data capture solutions (~30% market share). Its products are deeply embedded into its end customers' operations and enterprise resource planning (ERP) systems. Additionally, existing customers would face substantial switching costs associated with migrating equipment, software, and accessory infrastructure. Zebra also has a significant scale advantage over competitors and a deep distribution network combined with the broadest product and service portfolio in the industry. The company has several growth opportunities on the horizon, including the transition to Android from Windows CE in enterprise mobile computing, the growth of RFID, and penetration of fast-growing new markets. We believe Zebra is well positioned to capitalize on these opportunities, led by a management team with a long track record of astute capital allocation, continued organic and inorganic investments, and supported by ample free cash flows.

In addition to exiting Archaea, during the quarter we trimmed holdings in **AMN Healthcare Services Inc., Aspen Technology Inc., LPL Financial Holdings Inc.,** and Shift4. These trims were relatively small, opportunistic based on price performance, and allow us to better manage the size of the positions within the context of the broader portfolio after significant appreciation.

In addition to Zebra, proceeds from the above trims were added to our positions in SVB Financial Group ("SVB") and Entegris. These are faster growing companies that experienced continued weakness during the quarter. SVB has been impacted by weak venture capital investment fund flows, while an overcapacity in many semiconductor markets has created an uncertain near-term demand outlook for Entegris. However, our ongoing due diligence supports our view that they remain dominant providers of essential products and services to end markets that have multiple long-term structural growth drivers. Our turnover remains within our target range at 24% for the year 2022.

Conclusion

At the end of the year, we held positions in 26 companies with 54% of assets in the 10 largest holdings. As of December 31st, the Fund was trading at 70% of our underlying intrinsic value[2] estimates on a weighted-average basis. We ended the quarter with a cash position of 0.8%.

A number of our portfolio companies were down substantially in 2022. It is noteworthy that we have consistently added to many of these companies, including in the most recent quarter. We believe part of our edge as investors is our long-term investment outlook, which allows us to formulate an investment thesis based on a multi-year horizon. This outlook may be materially different to the market's perspective over the next quarter or 12-month period. Looking through periods of volatility facilitates our investment in long-term compounders, which we believe have the potential to reinvest capital at attractive returns over extended periods. At the same time, we continuously review our investment theses to ensure investments are performing in-line with our expectations, or to adjust these expectations and positions where appropriate. We believe the willingness to add to positions on market weakness, combined with the resilience of a company's business model and balance sheet, is an effective way to deliver attractive returns over a full economic cycle.

Thank you for your interest in the BBH Select Series – Mid Cap Fund. Please reach out if you have any questions.

Sincerely,

Timothy F. Harris
Fund Manager

[2] The weighted average percentage of intrinsic value represents the market value of the portfolio securities as a percentage of what BBH estimates to be the present value of the cash that the portfolio's businesses can generate and distribute to shareholders over the businesses' remaining life.

Share Class Overview
As of December 31, 2022

	Ticker	Inception Date	Total Net Assets (mil)	NAV
Class I	BBMIX	5/24/2021	$11.4	$8.54

Equity Weighting
As of December 31, 2022

Common Stock	99.2%
Cash and Cash Equivalents	0.8%
Total	**100.0%**

Fund Facts
As of December 31, 2022

Number of Securities Held	26
Average P/E	20.6
Average Market Cap (bil)	$11.7
Turnover (Rolling 12-Months)	23.8%

Exclude cash equivalents

Sector Weighting
As of December 31, 2022

Communication Services	3.6%
Consumer Discretionary	10.6%
Consumer Staples	0.0%
Energy	0.0%
Financials	12.6%
Health Care	14.3%
Industrials	22.6%
Information Technology	24.3%
Materials	11.9%
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

Charles River Laboratories International Inc	6.8%
Watsco Inc	6.1%
AMN Healthcare Services Inc	5.9%
Crown Holdings Inc	5.6%
Brown & Brown Inc	5.5%
Entegris Inc	5.4%
NVR Inc	5.3%
Shift4 Payments Inc	4.7%
Arista Networks Inc	4.7%
Vulcan Materials Co	4.4%
Total	**54.3%**

Reported as a percentage of total portfolio.

There is no assurance the Fund will achieve its investment objective.

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.

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.

For more complete information, visit 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**