BROWN BROTHERS HARRIMAN

CAPITAL PARTNERS

BBH Select Large Cap ETF

Quarterly Update | 4Q 2025

Highlights

- During fourth quarter 2025, most portfolio companies in the BBH Large Cap ETF (the Fund) reported third quarter 2025 results and provided near- and longer-term guidance.
  - Overall results were mixed, with strong growth in earnings contrasting with downward revisions to expectations. The financial results of the portfolio companies in the Fund were strong on an absolute basis and compared favorably to the benchmark S&P 500 Index (the Index).
  - We would characterize forward guidance by the portfolio companies in the Fund as cautious near term and highly confident medium to longer term.
- The absolute stock price-driven total returns of the Fund have been solid, in line with expected economic profit growth and current income generation levels we model at normalized levels. On a total return NAV basis, the Fund increased 0.18% for the quarter, bringing the year-to-date return to 14.26%. The Index increased 2.66% and 17.88% respectively, reaching an all-time high.
- We have experienced very different market dynamics in the last 18 months, characterized by periods of large-cap technology dominance and two separate and historic low-quality rallies that worked to bookend policy-induced growth and economic risk scares in the early part of this year. However, we took advantage of market volatility to engage in several rebalancing trades and initiated a position in a company whose fundamental characteristics are attractive on both an absolute and relative basis, operates in an industry structure that remains intact, and where the valuation was compelling.
- We remain pleased with the year-to-date fundamental performance of the Fund, continuing trends we have seen for some time. Fundamental performance driving economic value creation remains very favorable for the Fund on an absolute basis and relative to the Index, as does relative valuation, against a backdrop of very full absolute valuation level.

Market overview

We entered calendar year 2025 with a high degree of caution. The Index had just come off its second consecutive year of approximate 25% returns, while earnings and free cash flow per share growth were essentially flat over the two-year period. Valuations were full and expectations for earnings growth were high, both on an absolute basis and relative to near- and longer-term history, while internal market structure was undergoing a period of dramatic change.

While stock price volatility has been very significant, in the context of history we have seen far greater extremes. Shifts in sentiment have worked to benefit both ends of the quality and risk spectrum over time, but continued near-term enthusiasm for low-quality and profitless businesses has caused valuations to detachment from underlying fundamentals, creating a frothy environment. While the shifts in sentiment have worked to benefit both ends of the quality and risk spectrum, the policy-induced growth and economic risk scare in the early part of this year rewarded quality companies and those that possess the highest levels of financial stability. But the very powerful low-quality rallies that bookend that brief mid-February through early-April period have proven to be overwhelming in terms of what's driving relative stock price returns in the U.S. large cap universe, at least during this relatively brief 18-month period.

With first quarter of 2025 experiencing a decline of almost 5% and the threat of widespread tariffs dampening the growth outlook, the remainder of the year saw the Index increase ~23%. With price momentum and higher volatility companies powering the continued rise in market prices against a resilient, albeit cautionary, macro backdrop, we argue for maintaining patience until we observe a correction in either market prices or future expectations for growth.

Healthcare (+11.68%), communication services (+7.26%), and financials (+2.02%) performed best in the quarter, contributing almost 200 basis points (bps)[1] to the market's total return. Real estate (-2.86%), utilities (-1.40%), and consumer staples (+0.01%) were the worst performers. Healthcare and communication services were the only two sectors to beat the Index in the quarter, with the former benefiting from reduced uncertainty regarding U.S. pharmaceutical pricing and trade policies.

Portfolio commentary

Performance of the Index was heavily influenced by the outsized stock price performance of a small number of large index constituent companies, four of which we own in the Fund. Two separate rallies of low-quality and higher beta companies that are a poor fit with our investment criteria and companies we seek to avoid – both by the strategic design of our investment criteria and its diligent implementation – also played a significant role. This approach is part of our effort to produce durable absolute and relative returns over the long-term and fundamentally outperform during periods of economic or market stress.

The financial results of our portfolio companies were strong, with our recipe for economic value creation – reported returns on invested capital plus implied free cash flow per share growth – attractive on both an absolute and relative basis. Compared to the extreme uncertainty that accompanies the price other market participants are willing to pay for our portfolio companies and those we choose not to own, we feel more in control of the funda-

EXHIBIT I: FUNDAMENTALS OF THE FUND'S HOLDINGS

	3 years		5 years	
	Fund	S&P 500	Fund	S&P 500
Growth				
EPS (CAGR)	12.7%	6.5%	15.9%	7.8%
Free cash flow (CAGR)	11.2%	-2.1%	12.8%	4.4%
Quality				
Return on invested capital (avg)	22.5%	10.3%	21.5%	9.6%
Net debt/EBITDA (avg)	0.89x	1.38x	0.84x	1.36x

Sources: Bloomberg, Company Filings, BBH Analysis
As of December 31, 2025

[1] One basis point is equal to 1/100th of 1%, or 0.01%.

mental performance and superior valuation of our portfolio companies. Net earnings and free cash flow per share grew 13% and 11%, respectively, for the Fund over the three-year trailing period vs. 7% and -2%, respectively, for the Index over the same time period.

To that end, our portfolio companies have executed well and have produced solid growth and fundamental economic performance while maintaining appropriately conservative capital structures. These achievements are evident at the aggregate portfolio level, where we have observed attractive growth in revenue, cash flow, and earnings; superior profit margins; returns on capital; and healthy balance sheets. While the Fund is more fully valued than we have historically observed given the strong equity markets we experienced over the past several years, the valuation remains supportive on an absolute basis and is attractive relative to the Index.

For the quarter, the Fund's largest **detractor** to total return was **Oracle** (ORCL).

ORCL was the largest detractor to performance, returning -30.6% for the quarter, which represented a 169-bp detraction from the Fund's total return. The decline in share price was largely a result of the company missing revenue and profit expectations, even though artificial intelligence (AI) cloud services grew 68%. Furthermore, concerns were raised around both the timeline for completion and source of funding for AI data center growth, with capital expenditures increasingly being funded by taking on debt. While we appreciate these risks, we continue to maintain a high level of conviction both in the business fundamentals as well as the company's stock, and see opportunity over a longer time horizon.

For the quarter, the Fund's largest **contributor** to total return was **Alphabet** (GOOG).

GOOG has been the top contributor for two successive quarters, returning +28.9% for the fourth quarter, which represented a 204-bp contribution to the Fund's total return. GOOG reported results that exceeded expectations on most key metrics and showcased improving execution along its AI initiatives. Strong performance in the Search segment helped to dispel concerns about potential disruption by generative AI-focused competitors. In addition, the Google Cloud segment continued to demonstrate accelerated usage and progress in gaining share relative to its hyperscaler competitors. From a product perspective, GOOG saw rapid uptake of its key AI offerings during the quarter, with continued momentum in their Gemini ecosystem.

Over any period, stock prices reflect the confluence of many factors as well as the perspectives of myriad other investors, both active and passive, that do not share our perspectives on risk, fundamental economic value creation, or how to properly measure it. Regardless of these other views, over the long term, we believe that it is a reasonable and an economically sound premise that the price of stocks should follow their growth in free cash flow per share and that attractive valuations support economic upside and mitigate risk. This will remain our focus as we seek to deliver both strong absolute and relative after-tax returns over the long term.

While this work will continue and is a constant focus of our analytical and portfolio management activities, we expect it to slow in the near term given the sharp recovery in market prices and still-elevated levels of policy-induced risk. While we remain focused on finding new investments that meet our investment criteria and are attractively valued, we do so in the context of a market environment we view as challenged, with risks evident on many fronts.

Portfolio activity

During the period of recent market volatility and uncertainty, we have been acting with an aim to improve an already high-quality portfolio to one possessing higher expected levels of economic profit growth and better valuation support. Specifically, we have and will continue to trim and sell portfolio companies when valuations increase to levels we believe to be in excess of the range of reasonable economic outcomes implied by current stock prices. Conversely, we may add new portfolio companies that meet our investment criteria and may add to existing portfolio company positions when valuations are at levels we believe to be attractive to that same range of reasonable economic outcomes.

To that end, we were able to initiate a position in **Ecolab**, a high-quality company. **Ecolab** has dominant market positions in all material product and service end-markets and is the leading U.S. and global provider of discrete and integrated products, solutions and services aimed at advancing food safety, clean and safe working environments, and the optimization of water and energy consumption.

During the quarter, we made several portfolio rebalancing trades reflective of relative valuation opportunities, risk, and fit with our investment criteria. Turnover during the quarter was modest, at 1.8%. While low relative to recent activity, this represents the select opportunity with pockets of valuation support.

We trimmed positions in **Otis**, **Berkshire Hathaway**, **Oracle**, **KLA**, **Microsoft**, and **Alphabet**, based on strength in performance and to manage overall portfolio balance and weightings. We deployed some of proceeds into **Nike**, **Cadence**, **Coca-Cola** and **ServiceNow**, names that we have a high degree of conviction in, as well as where we felt like the share price performance provided valuation support.

HOLDINGS (AS OF DECEMBER 31, 2025)

Holding	Sector	Weight (%)
Alphabet Inc (Class C)	Communication services	7.90
Microsoft Corp	Information technology	7.44
Mastercard Inc	Financials	6.06
KLA Corp	Information technology	5.47
Amazon.com Inc	Consumer discretionary	5.12
Apple Inc	Information technology	4.04
Waste Management Inc	Industrials	3.90
Oracle Corp	Information technology	3.77
Berkshire Hathaway Inc (Class B)	Financials	3.59
Booking Holdings Inc	Consumer discretionary	3.33
S&P Global Inc	Financials	3.15
Linde PLC	Materials	2.96
Thermo Fisher Scientific Inc	Health care	2.80
Arthur J Gallagher & Co	Financials	2.76
Applied Materials Inc	Information technology	2.71
Walmart Inc	Consumer staples	2.37
Progressive Corp	Financials	2.33
NIKE Inc (Class B)	Consumer discretionary	2.31
Eli Lilly & Co	Health care	2.15
Abbott Laboratories	Health care	2.14
Cadence Design Systems Inc	Information technology	2.11
Alcon Inc	Health care	1.91
NVIDIA Corp	Information technology	1.72
Automatic Data Processing Inc	Industrials	1.71
Costco Wholesale Corp	Consumer staples	1.64
ServiceNow Inc	Information technology	1.62
Texas Instruments Inc	Information technology	1.55
Otis Worldwide Corp	Industrials	1.18
Zoetis Inc	Health care	1.12
McDonald's Corp	Consumer discretionary	1.07
Procter & Gamble Co	Consumer staples	1.01
Coca-Cola Co	Consumer staples	0.76
Analog Devices Inc	Information technology	0.72
Adobe Inc	Information technology	0.57
Ecolab Inc	Materials	0.49
Novo Nordisk A/S ADR	Health care	0.31
Cash and cash equivalents		4.22

Holdings are subject to change.

Outlook

At the end of fourth quarter 2025, we held positions in 36 companies, with the ten largest holdings accounting for 53% of total assets. As of October 1, 2025, the Fund was trading at ~95% of our underlying base estimate of intrinsic value, which compares to ~122% for the Index. We ended the quarter with a cash position of 4.25%.

In our view, momentum and high beta continue to drive market performance, at the expense of growth, quality, and positive fundamental factors. After making opportunistic adjustments, we remain focused on finding new investments and rebalancing existing portfolio companies in the context of a market environment we view as challenged.

Specifically, with a backdrop of decelerating economic growth, extreme policy uncertainty and geopolitical risk, and still-high market expectations relative to history, we remain focused and committed to investing in companies that meet our qualitative criteria, have the fundamental financial characteristics in place that allow for durability in times of economic and market stress, and offer valuation support.

To conclude, our portfolio companies have executed well and produced solid growth and fundamental economic performance while maintaining appropriately conservative capital structures. Given the near- and longer-term outlooks provided by the companies in the Fund, we are optimistic that these strong trends will continue and that the differentiated financial attributes will be better recognized by other investors in the future, improving the stock price performance of the Fund relative to the Index over time.

Thank you for your interest in the BBH Select Large Cap ETF. Please reach out if you have any questions.

BBH Large Cap Equity Team

Hayley Xuereb, Chris Stonerook, Anurag Dhanwantri, Eric Yeh, Mark Weber, Rohit Mitter, and Scott Hill

PERFORMANCE (AS OF DECEMBER 31, 2025)

	Total returns		Average annual total returns					
	3 mo.	YTD	1 yr.	3 yr.	5 yr.	10 yr.	Since inception	Performance inception
BBH Select Large Cap ETF NAV	0.18%	14.26%	14.26%	17.92%	10.62%	—	11.05%	09/09/2019
S&P 500	2.66%	17.88%	17.88%	23.01%	14.42%	—	15.88%	
BBH Select Large Cap ETF Market Price	—	—	—	—	—	—	1.99%	11/17/2025
S&P 500	—	—	—	—	—	—	1.83%	

Total Annual Fund Operating Expenses (%): 0.71.

Returns of less than one year are not annualized.

All performance is net of fees.

Sources: BBH & Co. and S&P 500

Prior to the close of business on 11/14/25, the ETF operated as an open-end mutual fund (the "Predecessor Fund"). The ETF has the same investment objective, strategies and policies as the Predecessor Fund. The NAV returns prior to 11/17/2025 include the returns of the Predecessor Fund. The Market Price performance does not include Predecessor Fund's NAV performance and instead reflects the ETF's Market Price beginning with the ETF's listing on the exchange. Had the Predecessor Fund been structured as an exchange-traded fund, the performance may have differed. The inception date of the Predecessor Fund was 09/09/2019. The inception date of the ETF is 11/17/2025.

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.

SHARE CLASS OVERVIEW (AS OF DECEMBER 31, 2025)

	Ticker	Inception date	Total net assets (mil)	NAV	Upside / Downside capture
BBH Select Large Cap ETF	BBHL	09/09/2019	$483.3	$16.10	89.6% / 104.3%

Equity weighting As of December 31, 2025	
Common stock	95.8%
Cash and cash equivalents	4.2%
Other assets in excess of liabilities	0.0%
Total	**100.0%**

Fund facts As of December 31, 2025	
Number of securities held	36
Price / Intrinsic Value (P/IV)	95%
Average market cap (bil)	$1,009.7
Turnover (rolling 12-months)	20.4%

Excludes cash equivalents.

Sector weighting As of December 31, 2025	
Information technology	33.1%
Financials	18.7%
Consumer discretionary	12.4%
Health care	10.9%
Communication services	8.2%
Industrials	7.1%
Consumer staples	6.0%
Materials	3.6%
Energy	0.0%
Real estate	0.0%
Utilities	0.0%
Total	**100.0%**

Reported as a percentage of fund securities, excluding cash and cash equivalents.

Top ten companies As of December 31, 2025	
Alphabet Inc	7.9%
Microsoft Corp	7.4%
Mastercard Inc	6.1%
KLA Corp	5.5%
Amazon.com Inc	5.1%
Apple Inc	4.0%
Waste Management Inc	3.9%
Oracle Corp	3.8%
Berkshire Hathaway Inc	3.6%
Booking Holdings Inc	3.3%
Total	**50.6%**

Reported as a percentage of total holdings.

Holdings are subject to change. Totals may not sum due to rounding.

Price to Intrinsic Value is defined as the weighted average market value of the portfoliosecurities as a percentage of what BBH estimates to be the present value of the cashthat the portfolio's businesses can generate and distribute to shareholders over thebusinesses' remaining life.

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

Free cash flow (FCF) represents the cash that a company generates after accounting for cash outflows to support its operations and maintain its capital assets.

Upside / Downside Capture Ratio compare an investment's performance against its benchmark during periods when the benchmark's performance is positive or negative.

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.

There can be no assurance the Fund will achieve its investment objectives.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemable

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.

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