BBH Intermediate Municipal Bond Fund

BROWN BROTHERS HARRIMAN

Quarterly Fund Update / 2Q 2023

Roll With the Changes

2Q Highlights

- Resilient economic activity and relaxed banking concerns helped push municipal yields higher during the second quarter.
- High volatility, wide credit spreads, and rising yields produced an extensive range of opportunities for our portfolios.
- After a decade of the Federal Reserve's zero interest rate policy, we now have the best investment opportunities in nearly a generation.

Performance
As of June 30, 2023

	Total Returns		Average Annual Total Returns			
	3 Mo.	YTD	1 Yr.	3 Yr.	5 Yr.	Since Inception
Class I	-0.23%	2.26%	3.39%	-0.39%	1.91%	2.61%
Class N	-0.27%	2.16%	3.19%	-0.58%	1.73%	2.45%
Benchmark	-0.41%	1.85%	2.78%	-0.32%	1.83%	2.19%

Class I Inception: 04/01/2014
Class N Inception: 04/01/2014

Class I: Net/Gross Expense Ratio (%) 0.46 / 0.46
Class N: Net/Gross Expense Ratio (%) 0.65 / 0.70

Returns of less than one year are not annualized.

The Investment Adviser has contractually agreed to limit the Total Annual Fund Operating Expenses to 0.65% for Class N shares and 0.50% for Class I shares through March 1, 2024. The Expense Limitation Agreement may only be terminated during its term with approval of the Fund's Board of Trustees (the "Board").

Performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance data quoted. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. For performance current to the most recent month-end please call 1-800-625-5759. *Fund shares redeemed within 30 days of purchase are subject to a redemption fee of 1.00%.*

Sources: BBH & Co. and Bloomberg

BBH Intermediate Municipal Bond Fund Class I ("the Fund") had a total return of -0.23% during the second quarter of 2023, compared to a return of -0.41% for the benchmark Bloomberg 1-15 Year Municipal Index.

The noise in financial markets has been deafening. From regional bank stress to debt ceiling drama to unrelenting interest rate volatility, distractions were abundant during the second quarter. While there remain legions of investors who believe they can accurately forecast the future, we believe markets remain unpredictable. Rather than attempt the impossible and guess what the future holds (over which we have no control), we stick to what we can control and apply our investment criteria to an ever-changing landscape of bond opportunities. We would rather roll with the market changes and be selective than make forecast-based decisions. Fortunately, we had a wide range of opportunities from which to choose during the quarter.

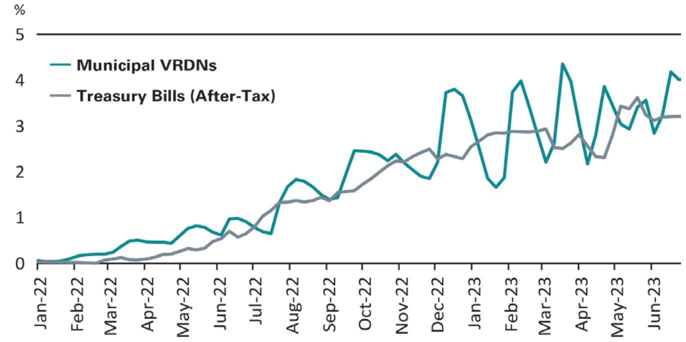
Labor market strength, near-record household wealth levels, and the preponderance of locked-in, low-cost fixed-rate mortgages have provided a strong economic foundation and blunted the impact of tighter monetary policy. Persistently elevated inflation and a possible re-emergence of regional banking problems present a conundrum for the Federal Reserve (Fed). In their most recent communications, the Fed signaled two more rate increases this year, bringing the fed funds rate upper bound to 5.75%. Investor expectations of future Fed actions ended the quarter better aligned with these communications as previous rate cuts reflected in the futures market at the end of Q1 disappeared. We expect the Fed to keep tightening slowly and let restrictive policy do its job rather than face the risks from tightening aggressively from here.

Resilient economic activity and relaxed banking concerns helped push municipal yields higher during the second quarter. Short maturities fared the worst, rising about 50 basis points[1], while longer maturity yields rose 20 to 25 basis points. Even with this flattening, the municipal yield curve ended the quarter with a pronounced bowl shape in intermediate maturities. Generic 2-, 5-, and 10-year AAA rated yields finished at 2.9%, 2.6%, and 2.5%, respectively. Higher yields and relatively stable credit spreads led to modestly negative quarterly index returns of -0.4% to -0.5%. In general, intermediate bond portfolios (portfolios with duration of 3 to 5 years) outperformed by 20 to 25 basis points, predominantly driven by their 80 to 100 basis point yield advantages, a similar dynamic to Q1.

[1] A unit that is equal to 1/100th of 1% and is used to denote the change in a financial instrument.

Cash rates, as reflected by variable rate demand notes (VRDNs), ended the quarter near 4%. To enhance yield and stay flexible in the face of ongoing volatility, we continue to maintain portfolio reserves in cash. Managing cash is typically a more mundane task, but as Exhibit I shows, money market valuations have been on a roller coaster. The yield difference between municipal VRDNs and short-term Treasury Bill (T-Bill) yields, after-tax, has swung wildly this year, requiring significant trading between VRDNs and short T-Bills. When we discuss active management, we usually highlight our bonds with non-standard coupon structures or newly added credits. This year, we can add cash management to center-stage.

Exhibit I: Municipal VRDNs Rates Have Swung Wildly



VRDNs = Variable Rate Demand Notes
After-tax calculation represents the top federal tax rate of 37%
Data reported weekly from January 5, 2022 to June 28, 2023
Sources: Bloomberg and BBH Analysis

High volatility, wide credit spreads, and rising yields produced an extensive range of opportunities for our portfolios. After a bittersweet farewell to our final delayed delivery bonds in Q1, we never would have predicted that two weeks later we would establish a new position in New Jersey appropriation debt. At the time of issuance in mid-April, these bonds, which support public education, had a delay period of 12 months and an excess spread of roughly 30 basis points relative to our estimate of fair value, a price discount worth $1 to $3 depending on maturity.

Last year, bonds with longer maturities and short calls underperformed, creating current opportunities. We added a range of callable healthcare bonds issued by Ascension, Parkview Health, DC Children's, and Baptist Health South Florida. These issues offered yields of at least 4%. We also purchased several tax-exempt issues within the utility sector backed by Detroit Edison, Virginia Electric and Power, and Alabama Power. Each offered spreads above 100 basis points. Finally, we added to our State Housing Finance Authority exposures with purchases from South Carolina and Iowa with spreads of roughly 150 basis points and 5-year average lives. We continue to find more value in these types of credits than in traditional general obligation (GO) debt. Our holdings of state GOs are minimal, and our local government debt is predominantly in schools, many of which benefit from enhancement programs.

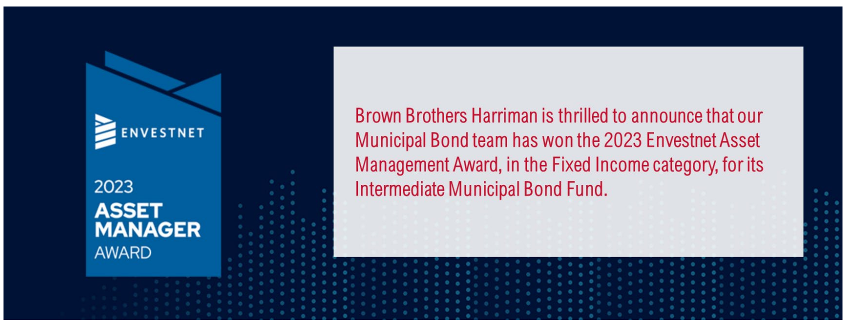
Recently, prominent publications have written about the decline of U.S. cities. Although we own securities in a few, we remain sensitive to the issues, especially the impact remote work has had on business districts. Local government credit, which includes counties, cities, and school districts, has been minimally affected thus far. Most local government bonds are backed by either property taxes or sales taxes. Having been tested through numerous economic cycles, property taxes are the most stable governmental revenue source. In addition, most tax bases are heavily oriented toward residential properties and are therefore insulated from the pressures of commercial real estate. Sales tax collections are more variable than property tax collections but are currently at record-high levels. Unlike other revenue sources, sales taxes usually increase with inflation, which has helped city coffers. We prefer sales tax bonds that are broadly defined with a protected flow of funds, and strong coverage that helps them withstand our stress testing.

We believe the fears of significant credit deterioration are overblown, but cities will eventually need to rebalance their revenue sources to better align with the decline in commuter-driven foot traffic. At a broader level, shifting population dynamics often have lasting effects on credit. In our analyses, we pay careful attention to migration trends. President Kennedy popularized the phrase, "a rising tide lifts all boats" and we find this rule holds true for our credits in the sunbelt region. A growing population results in higher demand for essential services, driving revenue growth across multiple sectors. In Texas, for example, our airports are benefitting from higher levels of enplanements, our hospitals are benefitting from higher demand for medical services, and our local governments are benefitting from higher property and sales tax collections. This growth necessitates additional bond issuance, affording us the opportunity to continuously invest in the region's expansion. We would never shy away from a credit solely because it has less favorable demographic trends, but we have found these credits are more likely to require skilled management.

A couple of years ago, we wished for normalization of yields and waited patiently for valuations to change. For the last 18 months, we have invested through tumultuous conditions and have faced almost unprecedented volatility. The longer restrictive policy remains in place, the greater likelihood of an economic contraction. Unlike recent recessions, we do not expect policy makers to come to the rescue. As always, our goal of helping to keep our client's portfolios safe will reside within our credit work. We would not have it any other way. Today, there is a historically wide yield gap between generic AAA rated bonds and single- and double-A rated bonds with non-standard structures. After a decade of second guessing our career choices due to the Fed's zero interest rate policy, we now have the best investment opportunities in nearly a generation. This change was well worth the wait!

Sincerely,

Gregory S. Steier
Fund Manager



Out of 100 funds for the year ending 12/31/2022.

Ranking Entity is Envestnet | PMC Research.

Envestnet's systematic, proprietary, and multi-factor methodology for this awards program harnesses a variety of qualitative and quantitative criteria to identify award finalists from among the thousands of managers on the Envestnet platform. Envestnet reviews investment process and style, customer service, tax efficiency, performance, composite, and firm profile, among many other aspects of a manager's strategy and business. To be eligible for an award, managers must be broadly available on the Envestnet platform, have at least $100 million in assets under management, and a three-year track record. Past performance is no guarantee of future results.

Share Class Overview
As of June 30, 2023

	Overall Morningstar Rating ™ *	Ticker	CUSIP	Inception Date	Total Net Assets (mil)	NAV	30-Day SEC Yield** (Subsidized)	30-Day SEC Yield** (Unsubsidized)
Class I	★★★	BBIIX	05528C824	04/01/2014	$689.7	$10.16	3.24%	3.24%
Class N	★★★	BBINX	05528C816	04/01/2014	$50.1	$10.17	3.05%	2.98%

* Star ratings are based on risk-adjusted return. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3-; 5- and 10-year Morningstar Rating metrics. There are 272 funds in the Muni National Interm category Overall Rating as of 06/30/2023.

** SEC yield is a calculation based on a 30-day period and is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the reported period.

Credit Quality
As of June 30, 2023

Cash and Cash Equivalents	7.0%
AAA	19.1%
AA	37.6%
A	33.7%
BBB	2.7%
BB	0.0%
B or Lower	0.0%
Not Rated	0.0%
Total	**100.0%**

Reported as a percentage of portfolio securities.

Top 10 Credits
As of June 30, 2023

California School District General Obligations	5.9%
Texas Municipal Gas Corporation II	3.6%
State of New Jersey	3.4%
Minnesota Housing Finance Agency	2.9%
Texas Municipal Gas Acquisition and Supply Corporation I Series 2008D	2.8%
Oregon School Bond Guarantee Program	2.4%
Waste Management Inc	2.4%
Northshore University Health System, IL	2.3%
South Dakota Housing Development Authority	2.3%
North Carolina Housing Finance Authority - Home Ownership Revenue Bonds	2.1%
Total	**30.1%**

Reported as a percentage of total portfolio.

Sector Distribution
As of June 30, 2023

Revenue	78.4%
General Obligations	13.6%
Pre-Refunded	1.0%
Cash and Cash Equivalents	7.0%
Total	**100.0%**

Reported as a percentage of portfolio securities.

Fund Facts
As of June 30, 2023

Number of Holdings	256
Number of Issuers Held	100
Effective Duration (years)	4.50
Yield to Maturity	4.21%
Yield to Worst	4.14%

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

Credit Quality letter ratings are provided by Standard and Poor's, Moody's and Fitch and are presented as the higher of the three ratings. When a security is not rated by Standard & Poor's, Moody's or Fitch, the highest credit ratings from DBRS and Kroll may be used. Absent a rating from these agencies, we may display Private Credit Ratings, if permitted by the issuer, which could include ratings from Egan-Jones Ratings Co. Credit ratings reflect the credit quality of the underlying issues in the portfolio and not of the portfolio itself. Issues with credit ratings of BBB or better are considered to be investment grade, with adequate capacity to meet financial commitments. Issues with credit ratings below BBB are considered speculative in nature and are vulnerable to the possibility of issuer failure or business interruption.

Effective duration is a measure of the portfolio's return sensitivity to changes in interest rates.

Yield to Maturity is the rate of return the portfolio would achieve if all purchased bonds and derivatives were held to maturity, assuming all coupon and principal payments are received as scheduled and reinvested at the same yield to maturity. This figure is subject to change and is not meant to represent the yield earned by any particular security. Yield to Maturity is before fees and expenses.

Yield to Worst is the lowest yield an investor can expect when there is optionality on the bond (i.e., call or put, etc.). Yield to Maturity and Yield to Worst are before fees and expenses.

This material is not authorized for distribution unless accompanied or preceded by a current Fund prospectus.

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

There is no assurance that this investment objective will be achieved.

Diversification does not eliminate the risk of experiencing investment losses.

Investors in the Fund should be able to withstand short-term fluctuations in the 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.

Investing in the bond market is subject to certain risks including market, interest-rate, issuer, credit, maturity, call and inflation risk; investments may be worth more or less than the original cost when redeemed.

Income from municipal bonds may be subject to state and local taxes and at times the alternative minimum tax.

The Fund also invests in derivative instruments, investments whose values depend on the performance of the underlying security, assets, interest rate, index or currency and entail potentially higher volatility and risk of loss compared to traditional stock or bond investments.

As the Fund's exposure in any one municipal revenue sector backed by revenues from similar types of projects increases, the Fund will also become more sensitive to adverse economic, business or political developments relevant to these projects.

Asset allocation decisions, particularly large redemptions, made by an investment adviser whose discretionary clients make up a large percentage of the Fund's shareholders may adversely impact remaining Fund shareholders.

Bloomberg 1-10 Year Municipal Bond Index is a component of the Bloomberg Municipal Bond index, including bonds with maturity dates between one and 17 years. The Bloomberg Municipal Bond Index is considered representative of the broad market for investment grade, tax-exempt bonds with a maturity of at least one year. One cannot invest directly in an index.

Bloomberg US Aggregate Bond Index is a market value-weighted index that tracks the daily price, coupon, pay-downs, and total return performance of fixed-rate, publicly placed, dollar-denominated, and non-convertible investment grade debt issues with at least $300 million par amount outstanding and with at least one year to final maturity.

Bloomberg US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD-denominated securities publicly issued by US and non-US industrial, utility and financial issuers. The Index is a component of the US Credit and US Aggregate Indices.

The Bloomberg 1-15 Year Blend (1-17) Muni Index is a component of the Bloomberg Municipal Bond index, including bonds with maturity dates between one and 17 years. The Bloomberg Municipal Bond Index is considered representative of the broad market for investment grade, tax-exempt bonds with a maturity of at least one year. The index is not available for direct investment.

"Bloomberg®" and the Bloomberg 1-15 Year Blend (1-17) Muni Index are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by Brown Brothers Harriman & Co (BBH). Bloomberg is not affiliated with BBH, and Bloomberg does not approve, endorse, review, or recommend the BBH Intermediate Municipal Bond Fund. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to the fund.

For more complete information, visit www.bbhfunds.com for a current Fund 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.

Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. The BBH Intermediate Municipal Bond Fund was rated against the following numbers of Muni National Interm category funds over the following time periods: 272 funds in the last three years and 238 funds in the last five years. With respect to these Muni National Interm category funds, the BBH Intermediate Municipal Bond Fund (Class I & Class N), received an Overall Morningstar Rating of 3 stars and 3 stars, respectively. Class I three- and five years periods received ratings of 3 stars and 3 stars, respectively. Class N three- and five-year periods received ratings of 3 stars and 3 stars, respectively.

Not FDIC Insured **No Bank Guarantee** **May Lose Money**