BROWN BROTHERS HARRIMAN

CAPITAL PARTNERS

BBH Intermediate Municipal Bond Fund

Quarterly Update | 2Q 2025

Highlights

- Despite pessimistic survey-based data, the economy has remained resilient, and inflation has continued to moderate.
- Our fund has benefited from its ongoing yield advantage and outperformed its benchmarks for both the quarter and year-to-date.
- We find compelling value in the municipal market, and we continue to advise clients to “extend to defend” their fund income.

Under Pressure

Memories of the first quarter of 2025 vanished almost as quickly as municipal market liquidity in early April. The aftermath of President Trump’s Liberation Day tariff announcement evoked flashbacks to the COVID-19 pandemic. Concurrent with intense equity and Treasury market volatility, municipal investors sold in droves. Some sought the safety of cash, others sold to rebalance their fallen equity exposures, and there were even rumors of municipal bond sales to meet equity margin calls. Mutual fund and ETF redemptions exacerbated the selling frenzy. Irrespective of the reasons, the pressure of a serious liquidity vacuum was palpable. Beyond the market turmoil, investors grappled with the deficit implications of the One Big Beautiful Bill and the Moody’s downgrade of U.S. sovereign debt. As in past episodes of market turmoil, opportunities flourished, and we engaged with conviction.

In contrast, the Federal Reserve maintained a wait-and-see approach. Throughout the year, the Fed has found itself between a rock and a hard place, seeking to balance the growth and inflationary risks from tariffs. The pressure from President Trump on social media did not make things any easier. Today, investors expect two rate cuts by the end of the year, one in September and one in December. Despite pessimistic survey-based data, the economy has remained resilient, and inflation has continued to moderate. Although classic economics points to higher prices from tariffs, they have yet to materialize, and the Fed remains vigilant. In addition, 2026 will bring a new Fed Chair, likely a dovish one. Only time will tell the ramifications.

During the second quarter of 2025, high volatility, record-paced new issuance, and a steep yield curve with some of the highest long-term yields since the Global Financial Crisis brought a terrific investment environment. Choppy

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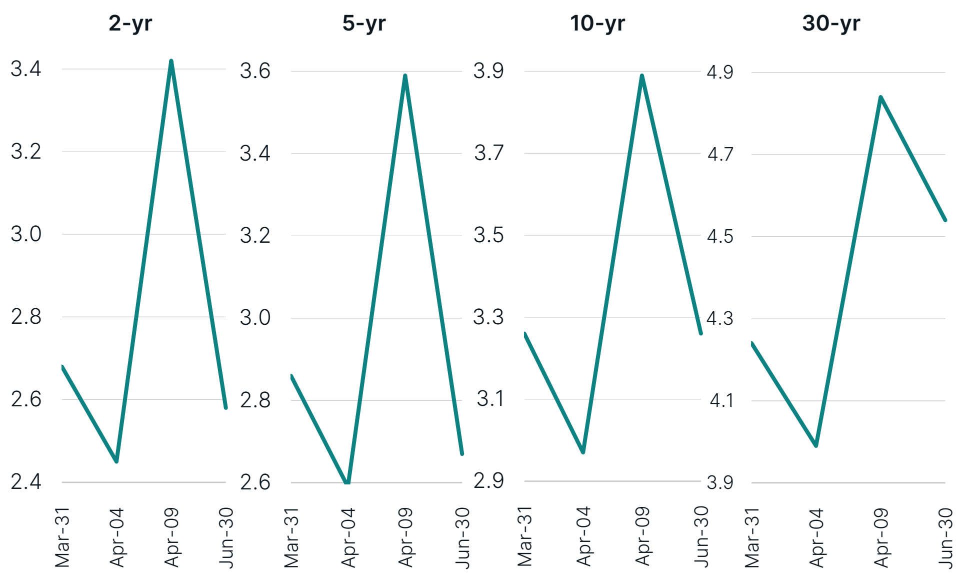
markets often generate attractive opportunities, and although we pride ourselves on being nimble, our heartrates spiked during early April. Even the quarter's yield plots look suspiciously like an electrocardiogram. In just three days, generic Triple-A 10-year yields increased 90 basis points (bps)[1], the rough equivalent of a seven-point price decline (see Exhibit I). By the end of the second quarter of 2025, the market stabilized, with short- and intermediate-maturity yields ending the quarter virtually unchanged. In contrast, long-maturity yields remained under pressure and finished higher.

EXHIBIT I: YIELDS UNDER PRESSURE



Data reported as of June 30, 2025
Sources: Municipal Market Data (MMD), Bloomberg and BBH

Exhibit II shows the persistent strength of short-maturity bonds and continued weakness of long-maturity bonds. Year-to-date (YTD) 15- to 20-year municipal-to-Treasury ratios have increased 15 percentage points to the mid-to-high 80% range. For the quarter, the intermediate index returned 0.8%, bringing its YTD total return to 1.8%. Our fund has benefited from its ongoing yield advantage and outperformed its benchmarks for both the quarter and YTD. Our holdings in state housing finance authorities, airports, and prepaid gas/energy remain major contributors to this advantage.

We note, however, that the yield curve exposure from our core holdings of floating rate notes and zero-coupon bonds detracted from our performance. Despite the volatility during the quarter, all investment-grade rating categories performed similarly. Even with growing economic and political risks, credit-sensitive bonds have remained firm, and we continue to find better values in niche sectors and in bonds with non-standard structures.

EXHIBIT II: RETURNS BY MATURITY

	1 yr.	5 yr.	10 yr.	15 yr.	20 yr.
1Q	1.05%	0.91%	0.26%	-0.60%	-1.29%
2Q	0.82%	1.35%	0.78%	-0.39%	-1.45%
YTD	1.88%	2.27%	1.04%	-0.99%	-2.73%

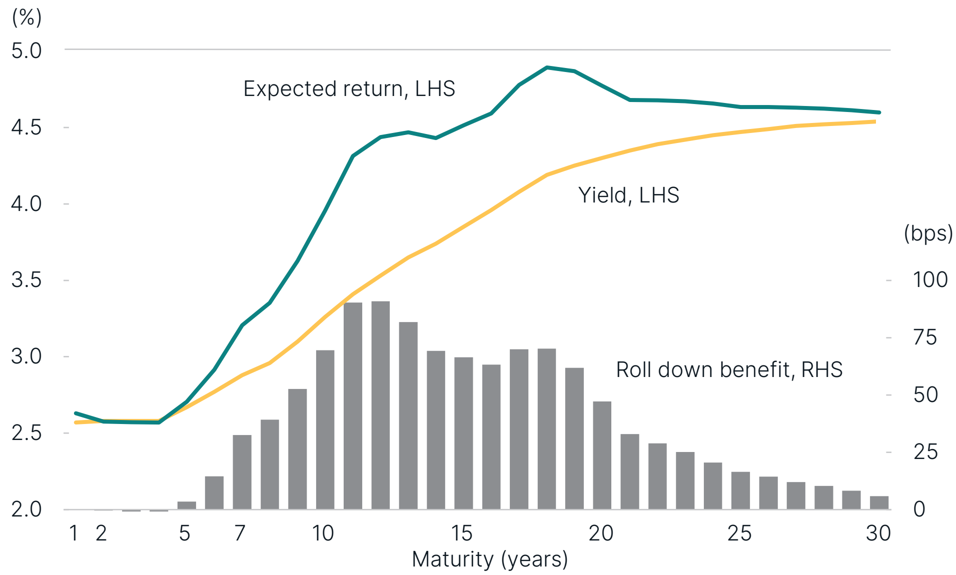
Data reported as of June 30, 2025
Sources: Municipal Market Data (MMD), Bloomberg and BBH

We invested in a variety of opportunities during the quarter. In early May, the University of North Carolina at Chapel Hill (UNC) issued $250mn of floaters. UNC is a strong Triple-A rated credit which should be relatively unscathed by any federal cutbacks on research grants. As investors remained skittish, demand for the issue was light. We purchased 40% of the deal at a spread of 105 bps, far wider than the credit warranted. St. Cloud Independent School District No. 742, headquartered in St. Cloud, Minnesota, received a similarly tepid reaction to its $125mn new issue

[1] Basis point (bp) is a unit that is equal to 1/100th of 1% and is used to denote the change in price or yield of a financial instrument.

of zeros. The school district enjoys a high Double-A rating because of its backing from the state. We purchased 25% of the deal at an average spread of 80 bps for their intermediate maturities, which is attractive compensation for such a high-quality credit. We added several airports with spreads ranging between 80 and 100 bps, and housing PACs with spreads between 100 and 120 bps. Additionally, we added a range of longer maturities (15+ years) to eligible accounts at yields between 4.5% and 5.0% to take advantage of the recent underperformance of this part of the curve.

EXHIBIT III: MORE RETURN WITH LESS DURATION



Data reported as of June 30, 2025
Sources: Municipal Market Data (MMD), Bloomberg and BBH
LHS = Left hand side; RHS = Right hand side

In addition to attractive yields, the steepening of the municipal yield curve has created substantial roll-down return benefits within intermediate maturities. Roll-down return results from the aging of securities. For example, as a 10-year bond ages, becoming a 9-year bond, the yield rolls down over the curve, and the bond appreciates in value. Roll-down is a reliable source of return with an upward sloping yield curve, and it can be as high as 50 to 75 bps in certain maturities.

Adding to the market's current attractiveness, new issuance is poised to eclipse 2024's record of $500bn. Through June 2025, municipal supply stood at $290bn, well above last year's then-record pace. The desire to avoid potentially adverse legislation, the resumption of postponed projects, and increasing infrastructure costs have driven the surge in supply. School district issuance has soared 35% from last year, and within the revenue sector, healthcare, housing, and transportation have grown the most.

Depending on guideline flexibility, our intermediate fund yields 3.5% to 4.0%. At these levels, our fund would break even after a 100-bp yield increase over a 12-month horizon. We find that scenario unlikely, particularly with easier monetary policy on the horizon. On a pre-tax equivalent basis, for a top-bracket taxpayer, our intermediate municipal fund yields 6% to 7%. That's not far from many S&P 500 return estimates and a solid 2% over cash. We find compelling value in the municipal market, and we continue to advise clients to "extend to defend" their fund income. In other words, extend from the money markets into intermediate duration municipals to lock in today's attractive yields.

We always get excited about purchasing high-quality credits that provide more income than they should, and carefully avoid those that do not. Prior to last year's elections, municipal credit hit a high point. Today's municipal credit valuations still reflect the high point they hit before the elections last year, despite a growing list of potential headwinds. Today, we face increasing economic risks from tariff uncertainties, which could have an outsized impact on seaport credits. Some universities face the risk of higher endowment taxes and grant reductions. Already operating on thin post-pandemic margins, healthcare institutions face potential pressure from Medicaid cuts. The housing market faces the potential privatization of Fannie Mae and Freddie Mac. States face pressure from potential federal funding cuts, a possible overhaul or elimination of the Federal Emergency Management Agency

(FEMA), and the end of pandemic-related aid. The federal cash spigot, which has helped bolster credit since 2020, is closing. Whether, and to what extent, credit spreads will reflect this dynamic is a prediction we cannot reliably make. Instead, we will continue to conduct thorough research that contemplates a more difficult future.

At BBH, we choose process over predictions. This approach leads us to own issuers that are resilient to wide economic fluctuations as well as to political risk. Our first job is protecting against adverse credit outcomes. We then turn to our valuation analysis to ensure we receive higher yields than implied by underlying risks, including a safety margin against market volatility. As we often note, volatility is a feature of markets, not a bug. Volatile periods can be stressful and pressure-filled, but they are often ultimately fruitful. Our process gives us confidence to act with conviction during difficult periods, when many seeds are sown for strong future performance.

Sincerely,

Gregory S. Steier
Fund Manager

PERFORMANCE AS OF JUNE 30, 2025

	Total returns		Average annual total returns				
Fund/benchmark	**3 mo.**	**YTD**	**1 yr.**	**3 yr.**	**5 yr.**	**10 yr.**	**Since inception**
Class I	0.82%	1.34%	3.01%	3.63%	1.25%	2.73%	2.81%
Class N	0.77%	1.14%	2.80%	3.42%	1.05%	2.55%	2.65%
Bloomberg 1-15 Year Blend (1-17) Muni Index	0.70%	1.09%	2.63%	2.70%	0.86%	2.13%	2.27%

Class I inception: 4/1/2014 Class I net/gross expense ratio (%): 0.44 / 0.44

Class N inception: 4/1/2014 Class N net/gross expense ratio (%): 0.65 / 0.70

Returns of less than one year are not annualized.

The Investment Advisor has contractually agreed to limit the Total Annual Fund Operating Expenses for the BBH Intermediate Municipal Bond Fund's Class N to 0.65% and Class I to 0.50% until March 1, 2026. The Expense Limitation Agreement may only be terminated during its term with approval of the Fund's Board of Trustees.

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%.*

Source: BBH & Co. and Bloomberg

SHARE CLASS OVERVIEW (AS OF JUNE 30, 2025)

	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	4/1/2014	$1,505.11	10.18	3.71	3.71
Class N	★★★★	BBINX	05528C816	4/1/2024	$50.71	10.19	3.50	3.41

* The Overall Morningstar Rating is based on risk adjusted return out 266 Funds in the Muni National Interm category as of 06/30/2025.

** 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.

Fund facts As of June 30, 2025	
Number of holdings	386
Number of obligors held	143
Effective duration (years)	5.10
Yield to maturity	4.12
Yield to worst	3.99

Credit quality As of June 30, 2025	
Cash and cash equivalents	3.3%
AAA	19.8%
AA	53.6%
A	23.2%
BBB	0.0%
BB	0.0%
B or lower	0.0%
Not rated	0.1%
Total	**100.0%**

Sector distribution As of June 30, 2025	
Revenue	82.7%
General obligations	13.3%
Pre-refunded	0.8%
Cash and cash equivalents	3.3%
Total	**100.0%**

Reported as a percentage of total portfolio.

Top 10 companies As of June 30, 2025	
Oregon School Bond Guarantee Program	2.9%
North Carolina Housing Finance Authority - Home Ownership Revenue Bonds	2.9%
State of New Jersey	2.5%
University of North Carolina Chapel Hill	2.5%
Freddie Mac Tax Exempt Bond Securitization	2.1%
Minnesota Housing Finance Agency	2.1%
Salt Verde Financial Corporation	2.0%
New York City Transitional Finance Authority	2.0%
Illinois Housing Development Authority	1.9%
Miami International Airport - Miami-Dade County Airport Enterprise, FL	1.8%
Total	**22.6%**

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

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.

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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.

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: 266 funds in the last three years, 266 funds in the last five years, and 245 funds in the last ten 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 5 stars and 4 stars, respectively. Class I three-, five-, and ten years periods received ratings of 5 stars, 4 stars, and 5 stars, respectively. Class N three-, five-, and ten years periods received ratings of 4 stars, 3 stars, and 4 stars, respectively.

BBH

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