BROWN BROTHERS HARRIMAN

CAPITAL PARTNERS

BBH Intermediate Municipal Bond Fund

Quarterly Update | 2Q 2026

Highlights

- Kevin Warsh was sworn in as chair of the Federal Reserve in May 2026, taking the reins in uncertain times. Despite initial concerns that he would steer the Fed toward easing, investor expectations now predict two rate hikes over the next 12 months.
- The municipal market bounced back during the quarter, with mutual fund and exchange-traded fund (ETF) assets benefiting from the longest inflow cycle on record and high yields and incoming capital driving strong demand for new issuances.
- Our intermediate benchmark returned 1.7%, and our fund outperformed the benchmark by 9 bps, due to the yield advantage of our fund driven by investments in niche sectors, such as housing, and in securities with non-standard structures. Our fund also benefited from the recovery of longer-maturity bonds.

Fast Car

Many view the municipal market as slow and safe compared to other fixed income markets. It is not the fast car flashing through the racetrack, but rather the steady and reliable car you would let your teenager drive. In practice, however, municipals also face twists, turns, and potholes, and navigating them requires the same preparation, precision, and discipline it takes to win on race day.

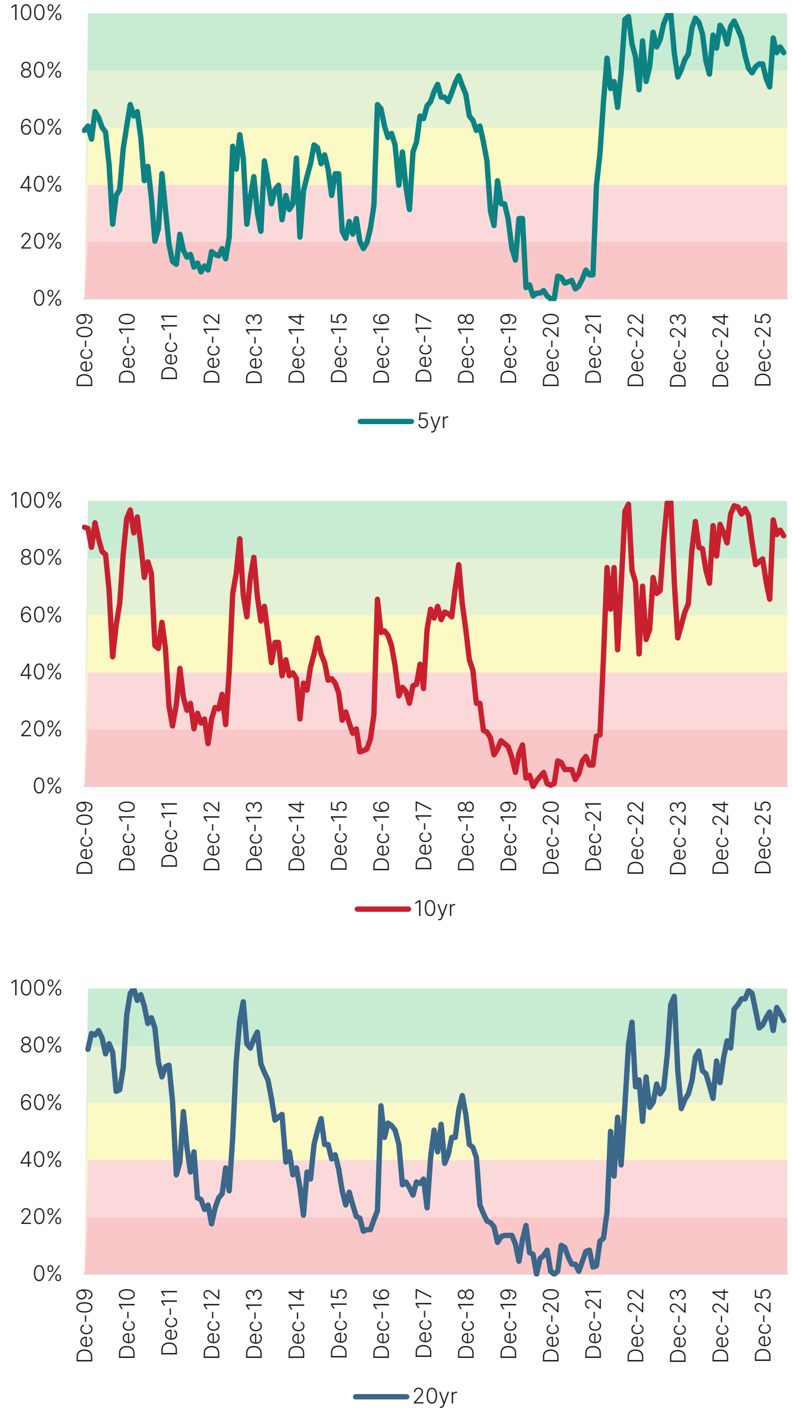
There have been plenty of hazards to avoid this year, with more undoubtedly to come. On May 22, 2026, Jerome Powell's arduous eight-plus-year tenure as the Federal Reserve (Fed) chair ended. Powell led the Fed through a global pandemic, fought the subsequent inflation, and staunchly defended the Fed's independence. Enter Kevin Warsh – the new chair – and his five task forces. A vocal critic of the Fed in recent years, Warsh plans to systematically review its major operating tenets, including:

Task force	Objective
Fed communications	Optimize policy messaging
Balance sheet policy	Reduce holdings
Data gathering	Evaluate additional sources
Productivity and jobs	Impact of AI
Inflation frameworks	Review alternate measures

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

Warsh took the reins of the Fed during uncertain times, with elevated inflation, an unresolved Middle East conflict, and the unknown impact of artificial intelligence (AI) and its massive infrastructure buildout. He will likely find it difficult to ignore the continued $1 to $2 trillion federal fiscal deficits and the sitting administration's expectations for lower rates. Despite initial concerns that Warsh would quickly steer the Fed toward easing, investor expectations now center around two rate hikes over the next 12 months.

MUNICIPAL YIELD HISTORY (PERCENTILE) – 5, 10, AND 20 YEARS



Sources: Municipal Market Data (MMD) and BBH Analysis.

Yields across the curve began second quarter 2026 in the mid-90th percentile of observations post-Global Financial Crisis, with the five-year at 2.67%, the 10-year at 3.12%, and the 20-year at 4.12%. Investors took notice, and with a ceasefire between the U.S. and Iran beginning in early April, the municipal market bounced back strongly during the quarter. Households, which own roughly 75% of the market either directly or through funds, continued to grow their investments via both avenues. Notably, mutual fund and exchange-traded fund (ETF) assets have benefited from the longest inflow cycle on record (129 weeks as of the latest reading in June 2026). High yields and incoming capital have driven strong demand for new issuances, especially those with wider spreads, which have been met with high subscription levels. Overall, the record-paced level of new issuance has been easily absorbed.

For the quarter, long-maturity bonds led the rally, with yields declining 35 basis points (bps)[1], followed by intermediate maturities, whose yields fell 20 bps. Short-maturity yields fell moderately. We have been highlighting the return potential of 10- to 20-year maturities for quite some time, and the market has begun to respond. On the credit side, lower-rated bonds outperformed, with triple-B bonds returning 3.5% for the quarter, ahead of triple-A bonds by around 100 bps.

Our intermediate benchmark returned 1.7% in second quarter 2026, bringing its year-to-date return into positive

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

territory at 1.4%. We are happy that our fund outperformed the benchmark by 9 bps, bringing our year-to-date performance ahead by 55 bps. Even though our fund holds minimal levels of triple-B bonds and no high yield, we still outperformed for the quarter. We attribute this result to the yield advantage of our fund, largely driven by investments in niche sectors, such as housing, and in securities with non-standard structures. Our fund also benefited from the recovery of longer-maturity bonds.

Municipal credit continues to face strong headwinds which could impact healthcare, higher education, state and local government, airport, and toll road sectors, among others. The 2025 One Big Beautiful Bill Act (OBBBA) significantly altered Medicaid by imposing stricter eligibility requirements for patients and limiting federal Medicaid funds available to healthcare providers, which could strain hospitals' margins. At the same time, the federal administration has taken a stricter stance on grant funding for universities and on immigration. This could strain university budgets, both directly (if it leads to lower grant revenues) and indirectly (if it causes declines in enrollment and thus student revenues). In fact, international enrollment is down nearly 20% from last year. The administration has also reduced support for the Supplemental Nutrition Assistance Program (SNAP) and sought to scale back Federal Emergency Management Agency (FEMA) funding, shifting more costs to states. The conflict in the Middle East has added another layer of risk, driving up fuel prices and exacerbating already-elevated inflation. There are additional stress points, and we view credit as past its high-water mark. Market valuations spin a different story and imply few risks ahead. Keep your seatbelt on; it pays to be cautious.

Even with these headwinds, the opportunity set remains broad. Market dynamics allow us to purchase high-quality bonds at attractive yields. During second quarter 2026, we added several bonds, including a prepaid energy bond backed by Alphabet Inc., parent company of Google. Funding recipients for prepaid energy bonds are typically banks or insurance companies; the Alphabet-backed transaction was the first where the funding recipient is a technology company. The deal priced at about +90 bps for nine-year paper, significantly wider than where corporate bonds were trading. We also purchased a 10-year prepaid energy bond, backed by Citigroup Inc., at a spread of +150 bps. Beyond prepaid energy bonds, we continued to add to our airport holdings, including Houston for +80 bps, and to our housing exposure, including multiple planned amortization class (PAC) bonds in the +90-bp spread range and a Freddie Mac-backed floating rate note at Secured Overnight Financing Rate (SOFR) +40 bps. The Freddie Mac yield equates to roughly 4% today and a spread of over +100 bps relative to a traditional municipal money market index. Our team remains excited about the opportunity set in front of us.

Fast cars can be impressive, but they can also prove temperamental and dangerous if they are poorly engineered. Race results often depend on design nuances that are invisible to the untrained eye. With proper engineering, speed, handling, and aerodynamics work in harmony – much like in a well-constructed portfolio. We focus on niche sectors and securities with non-standard structures that avoid the concentrated demand of traditional municipal investors. Steering clear of this congestion allows us to build portfolios of above-average quality that also produce above-average income. Why sit in traffic when you can enjoy the open road? Thank you for your trust and for joining us on the ride.

Sincerely,

Gregory S. Steier
Fund Manager

PERFORMANCE AS OF JUNE 30, 2026

	Total returns		Average annual total returns				
Fund/benchmark	**3 mo.**	**YTD**	**1 yr.**	**3 yr.**	**5 yr.**	**10 yr.**	**Since inception**
Class I	1.76%	1.94%	6.07%	4.52%	1.87%	2.67%	3.07%
Class N	1.70%	1.93%	5.94%	4.34%	1.68%	2.50%	2.91%
Bloomberg 1-15 Year Blend (1-17) Muni Index	1.67%	1.39%	5.49%	3.60%	1.33%	2.07%	2.53%

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 (subsidized) / 0.73 (unsubsidized)

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, 2027. 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, 2026)

	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	$2,547.5	10.42	3.33	3.33
Class N	★★★★	BBINX	05528C816	4/1/2014	$59.0	10.44	3.11	3.03

* The Overall Morningstar Rating is based on risk adjusted return out of 256 funds in the Muni National Interm category as of 6/30/2026.

** 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, 2026	
Number of holdings	514
Number of obligors held	165
Effective duration (years)	4.94
Yield to maturity	3.80%
Yield to worst	3.58%

Credit quality As of June 30, 2026	
Cash and cash equivalents	3.2%
AAA	16.5%
AA	56.5%
A	22.4%
BBB	0.0%
BB	0.0%
B or lower	0.0%
Not rated	1.5%
Total	**100.0%**

Sector distribution As of June 30, 2026	
Revenue	83.0%
General obligations	12.3%
Pre-refunded	1.6%
Cash and cash equivalents	3.2%
Total	**100.0%**

Reported as a percentage of total portfolio.

Top 10 obligors As of June 30, 2026	
Freddie Mac Tax Exempt Bond Securitization	4.5%
State of New Jersey	3.4%
Illinois Housing Development Authority	2.5%
Oregon School Bond Guarantee Program	2.5%
Houston Airport Enterprise, TX	2.4%
New York City Transitional Finance Authority	2.2%
Northwestern Memorial Hospital, IL	2.2%
Port of Seattle - GARBs and PFCs	2.0%
Southeast Energy Authority Energy Supply Revenue Bonds Series 2025E	1.9%
Waste Management Inc	1.8%
Total	**25.3%**

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.

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 ending 6/30/2026: 256 funds in the last three years, 239 funds in the last five years, and 177 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, 5 stars, and 5 stars, respectively. Class N three-, five-, and ten years periods received ratings of 4 stars, 4 stars, and 4 stars, respectively.

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

BBH

NEW YORK BEIJING BOSTON CHARLOTTE CHICAGO DUBLIN GRAND CAYMAN HONG KONG HOUSTON JERSEY CITY KRAKÓW LONDON LUXEMBOURG NASHVILLE PHILADELPHIA TOKYO WILMINGTON ZÜRICH BBH.COM

NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE

IM-18788-2026-07-13 BBH004190 Exp. Date 10/31/2026