

# BBH Core Select Fund

Fund Fact Sheet / 3Q 2018

## PHILOSOPHY

BBH Core Select (“the Fund”) aims to invest in established, cash-generative businesses that are leading providers of essential products and services with strong management teams. The Fund seeks to purchase the publicly-traded equity securities of such companies at a discount to our estimates of intrinsic value. Estimates of intrinsic value are based on proprietary analysis of prospective free cash flows and returns on capital. We apply a disciplined investment selection process focused on the following attributes:

## INVESTMENT CRITERIA

Business Attributes:

- Essential products and services
- Loyal customers
- Leadership in an attractive market niche or industry
- Sustainable competitive advantages

Management Attributes:

- Strong operators with integrity
- Favorable capital allocation
- Meaningful share ownership

Financial Attributes:

- Strong balance sheet and free cash flow
- High returns on invested capital

The Fund will generally hold investments in 25-35 companies with market capitalizations greater than \$5 billion that are headquartered in North America, as well as in certain global firms located in other developed regions. The targeted holding period is three to five years. Investments are typically sold if they appreciate to levels near BBH’s estimate of intrinsic value.

## PRINCIPLES OF EQUITY INVESTING

- **Investment Objective:** The Fund seeks to provide investors with long-term growth of capital and to generate attractive returns over time. The Fund does not attempt to mirror a benchmark or index.
- **Emphasis on capital preservation:** We view risk not as the price volatility of an investment, but instead as the likelihood of a permanent capital loss. To mitigate this risk, we apply our rigorous selection criteria and invest only in companies we believe have a significant margin of safety between the purchase price and our estimate of intrinsic value.
- **Ownership perspective:** We approach equity investing with the perspective of owning fractional shares of strong businesses for relatively long periods of time.
- **Long-term perspective:** Many investment strategies are built around short-term expectations, momentum following and frequent trading. We believe that a longer-term view of both companies and investments leads to stronger results and risk control over market cycles.
- **Minimize taxes and trading costs:** High portfolio turnover often generates taxable short-term gains and substantial trading costs, both of which can significantly erode the long-term compounding of returns. Our targeted holding period of 3-5 years helps us reduce these costs.

## FUND MANAGER



### Michael R. Keller, CFA

Mr. Keller is the Portfolio Manager of BBH Core Select since July 2018 and continues to serve as BBH’s technology analyst. Mr. Keller joined BBH in 2005 and became a Partner of the firm in 2015. Previously, Mr. Keller served as a Co-Portfolio Manager of BBH Core Select since June 2008. Prior to joining BBH, he was a senior equity analyst for KeyBanc Capital Markets covering technology and business services. Mr. Keller earned a BSE from Princeton University and is a CFA charterholder.

BBH Fund Information Service: (800) 625-5759

Performance  
As of September 30, 2018

Total Returns

Average Annual Total Returns

Fund/Benchmark	3 Mo.*	YTD*	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception
BBH Core Select (Class N)	6.10%	3.36%	9.66%	11.69%	8.60%	9.99%	6.27%
S&P 500	7.71%	10.56%	17.91%	17.31%	13.95%	11.97%	6.97%
BBH Core Select (Retail Class)	5.94%	3.08%	9.34%	11.41%	8.32%	N/A	10.48%
S&P 500	7.71%	10.56%	17.91%	17.31%	13.95%	N/A	13.54%

Class N: Net/Gross Expense Ratio (%) 1.00 / 1.02  
Retail Class: Net/Gross Expense Ratio (%) 1.25 / 1.33

All performance is net of fees  
Sources: BBH & Co. and S&P

\* Returns are not annualized.

The Investment Adviser has contractually agreed to limit the Total Annual Fund Operating Expenses to 1.00% for Class N shares and 1.25% for Retail Class shares through March 1, 2019. The Expense Limitation Agreement may only be terminated during its term with approval of the Fund's Board of Trustees (the "Board").

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. Fund shares redeemed within 30 days of purchase are subject to a redemption fee of 2.00%.

The S&P 500 is an unmanaged weighted index of 500 stocks providing a broad indicator of stock price movements. The index is not available for direct investment.

Share Class Overview  
As of September 30, 2018

	Ticker	Inception Date	Total Net Assets (mil)	NAV	Upside/Downside Capture <sup>1</sup>
Class N	BBTEX	11/02/1998	\$1,830.8	\$21.56	77.5% / 107.8%
Retail Class	BBTRX	03/25/2011	\$80.0	\$11.06	76.6% / 108.7%

<sup>1</sup> Upside / Downside Capture Ratio is an annualized 5-year rate, net of fees. Both compare an investment's performance against its benchmark during periods when the benchmark's performance is positive or negative.

Equity Weighting  
As of September 30, 2018

Common Stock	92.6%
Cash and Cash Equivalents	7.4%
<b>Total</b>	<b>100.0%</b>

Sector Weighting  
As of September 30, 2018

Consumer Discretionary	15.9%
Consumer Staples	12.0%
Energy	0.0%
Financials	18.3%
Health Care	15.8%
Industrials	3.6%
Information Technology	28.2%
Materials	6.2%
Real Estate	0.0%
Telecommunication Services	0.0%
Utilities	0.0%
<b>Total</b>	<b>100.0%</b>

Reported as a percentage of portfolio securities.

Top 10 Companies  
As of September 30, 2018

Berkshire Hathaway Inc	7.5%
Oracle Corp	7.1%
Alphabet Inc	6.6%
Comcast Corp	5.5%
US Bancorp	4.9%
FleetCar Technologies Inc	4.5%
Wells Fargo & Co	4.5%
Novartis AG	4.4%
Kroger Co/The	4.0%
Zoetis Inc	3.6%
<b>Total</b>	<b>52.8%</b>

Reported as a percentage of total portfolio.

Fund Facts  
As of September 30, 2018

Number of Securities Held	27
Average P/E	20.7
Average Market Cap (bil)	\$125.8
Turnover (Rolling 12-Months)	10.37%
Active Share	94%

Excludes cash equivalents.

Holdings 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.

Active Share is defined as the percentage of a portfolio's holding that differs from its benchmark index. Active Share can range from 0% for an index fund that perfectly mirrors its benchmark to 100% for a portfolio with no overlap with an index.

For more complete information, visit [www.bbhfunds.com](http://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.

Risk

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 the portfolios change 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.

Shares of the Fund are distributed by ALPS Distributors, Inc. and is located at 1290 Broadway, Suite 1100, 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. BBH acts as the Fund Administrator and is located at 140 Broadway, New York, NY 10005.

Not FDIC Insured

No Bank Guarantee

May Lose Money

BBH Fund Information Service: (800) 625-5759

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