BBH Global Core Select Fund

Quarterly Fund Update / 4Q 2018

Global equity markets took a sharp turn into negative territory during the final months of 2018. For the fourth quarter, BBH Global Core Select Class N ("Global Core Select" or "the Fund") declined -12.52% while the MSCI World Index declined -13.42%. For 2018, Global Core Select declined -11.23% and the MSCI World index declined -8.71%. Strength in the U.S. Dollar, particularly relative to the British Pound, Euro, and Canadian Dollar, was a headwind to performance in both the fourth quarter and the full-year period and negatively impacted full-year absolute returns by over 200 basis points[1].

Performance
As of December 31, 2018

	Total Returns		Average Annual Total Returns			
	3 Mo.*	YTD	1 Yr.	3 Yr.	5 Yr.	Since Inception
Class N	-12.52%	-11.23%	-11.23%	4.46%	2.25%	4.42%
MSCI World Index	-13.42%	-8.71%	-8.71%	6.30%	4.56%	6.91%
Retail Class	-12.52%	-11.41%	-11.41%	4.23%	2.01%	4.18%
MSCI World Index	-13.42%	-8.71%	-8.71%	6.30%	4.56%	7.00%

Class N Inception: 03/28/2013
Retail Class Inception: 04/01/2013

Class N: Net/Gross Expense Ratio (%) 1.25 / 1.34
Retail Class: Net/Gross Expense Ratio (%) 1.50 / 2.43

* Returns are not annualized.

The Investment Adviser has contractually agreed to limit the Total Annual Fund Operating Expenses to 1.25% for Class N shares and 1.50% 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 MSCI World Index is an unmanaged, free float-adjusted, market capitalization weighted index of approximately 1,600 stocks that is designed to provide an indication of the equity market performance of developed markets. The index is not available for direct investment.

Sources: BBH & Co. and MSCI

Positive Contributors

Positive contributors for the quarter included Canadian convenience store operator Alimentation Couche-Tard, with a positive local-currency return of 5% and a flat return in U.S. Dollars. Couche-Tard was also among the strongest contributors to full-year performance, with a local return of 20% and U.S. Dollar return of 13%. We have been pleased with Couche-Tard's operating performance since we invested in the company in the first quarter of 2018. We have added steadily to the position over the course of the year, and it is now among our largest investments. Management's rebranding initiative (to Circle K), combined with remerchandising initiatives informed by increased use of data, sharing of best practices, and reverse synergies, is translating into improving trends in both merchandise and fuel sales. The company is a leading consolidator in the convenience store market in the U.S., Europe, and Canada, and recent operating results were strong across its markets with solid mid-single digit merchandise sales, healthy fuel margins, and well-controlled operating costs. Integrations of the recent CST and Holiday acquisitions are progressing well, and management is on track with respect to de-leveraging Couche-Tard's balance sheet and the company is positioned well to fund future investments.

Diageo, the UK-domiciled spirits company, and Davide Campari-Milano (Campari), the Italian producer of spirits brands Campari and Aperol, were both strong contributors in the fourth quarter as share prices were basically flat despite the market declines. While the stock performance partly reflects the market's shift towards defensive businesses, the respective operating performances of both companies continue to be strong. Diageo's operating results are demonstrating strong and steady improvement, particularly in the important and highly profitable U.S. market. Its disposal of several older and underperforming "tail brands" and increased investment behind the remaining portfolio – including the recently acquired Casamigos tequila brand – bodes well for per-unit revenue growth going forward. Diageo has executed well on the plan it laid out several years ago, focusing on improving the management of its strong and enduring brand franchises and thereby setting the stage for more consistent compounding of returns.

Campari's share price has responded positively as organic revenue and profit growth continue to be strong across its footprint and driven by its Global Priority Brands. This is consistent with management's long-term margin strategy as these brands are the largest in the portfolio, have global appeal, and are the company's most profitable. This leads to natural margin expansion and cash flow growth as those brands grow faster than the company average. In our view, Campari's strong brand-building culture has created what we believe to be an excellent compounder of value from brands well aligned with consumer trends in key markets. Management has also a demonstrated track record of successfully acquiring and growing brands through mergers & acquisitions (M&A), and the company has ample capacity to execute additional acquisitions on an opportunistic basis. Campari was a strong contributor to full-year performance as well with a 15% local return, though U.S. Dollar strength versus the Euro resulted in a 10% Dollar return.

[1] Basis points 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.

For the full year, the strongest contributors in addition to Couche-Tard, Diageo, and Campari were Zoetis, PayPal Holdings, and Discovery. Zoetis gained 19% for the year driven by solid execution and stable end markets. Zoetis remains an excellent fit with our investment criteria given its leadership position in the attractive animal health industry, its diverse portfolio across companion and production animals, and a management team that continues to strengthen the business via innovation, business development, and entry into new markets and technologies. PayPal's shares ended the year with a gain of 14% despite the volatility in the share price during the fourth quarter. Payments-related businesses had been generally strong throughout the year, and PayPal reported strong fundamental performance that points to an increasingly valuable two-sided network. PayPal is seeing strong growth in both users and merchants, payments per active account is growing at a strong rate, and efforts to monetize Venmo are beginning to take hold. Shares of Discovery appreciated sharply from May 2018 through the third quarter, catalyzed by the rise of consolidation activity in the media industry and positive fundamental developments as the company has reached distribution deals with growing digital platforms Hulu and Sling. Discovery is also on track to deliver substantial synergies from the Scripps integration, supporting strong cash flow generation and accelerating the de-leveraging of its balance sheet. While we are cognizant of the challenges in the legacy linear TV business in the U.S. and some international markets, we are encouraged by the progress Discovery is making to adapt its business model; we believe it is making the right investments in content, digital platforms, and direct-to-consumer offerings to reposition the business.

Holdings As of December 31, 2018	
Oracle Corp (United States)	6.0%
Alphabet (Class C) (United States)	5.9%
FleetCor Technologies Inc (United States)	5.3%
Diageo Plc ADR (United Kingdom)	4.9%
Alimentation Couche-Tard Inc (Canada)	4.3%
Novartis AG (Switzerland)	4.2%
Lloyds Banking Group Plc (United Kingdom)	4.1%
Reckitt Benckiser Group Plc (United Kingdom)	3.8%
Zoetis Inc (United States)	3.7%
Wells Fargo & Co (United States)	3.6%
Wendel SE (France)	3.5%
Linde PLC (Ireland)	3.3%
Copart Inc (United States)	3.0%
Davide Campari-Milano SpA (Italy)	2.9%
Qualcomm Inc (United States)	2.8%
Sanofi (France)	2.8%
Deutsche Boerse AG (Germany)	2.7%
KBC Group NV (Belgium)	2.7%
PayPal Holdings Inc (United States)	2.5%
Discovery Communications Inc (Class C) (United States)	2.5%
Celanese Corp (United States)	2.5%
Unilever NV (Netherlands)	2.4%
Qurate Retail Inc (Class A) (United States)	2.3%
JCDecaux SA (France)	2.1%
Nestle SA (Switzerland)	1.9%
Anheuser-Busch InBev SA/NV (Belgium)	1.9%
Liberty Global Plc (Class C) (United Kingdom)	1.8%
Perrigo Co Plc (Ireland)	1.7%
Heineken Holding NV (Netherlands)	1.6%
Fuchs Petrolub SE (Germany)	1.5%
Intact Financial Corp (Canada)	1.3%
Brenntag AG (Germany)	1.2%
Cash and Cash Equivalents	3.2%

Holdings are subject to change.

Negative Contributors

Our largest negative contributor for the quarter was Perrigo. Perrigo shares fell sharply in late December after the company disclosed details of a large, retroactive tax assessment levied by the Irish government. The assessment equates to roughly $1.9 billion, or $14 per Perrigo share. The assessment is predicated on an assertion by Irish tax authorities that Perrigo should have been paying a capital gains tax rate of 33% rather than an earned income rate of 12.5% for royalties received on sales of Tysabri (a leading drug used to treat multiple sclerosis) during the period from Perrigo's 2013 acquisition of Elan Corp. (a partial owner of Tysabri royalty rights) until the sale of these rights to Royalty Pharma in February 2017. Perrigo and its auditors believe that the tax method used for the royalty revenues was appropriate and consistent with applicable laws and precedent in Ireland. The company will appeal the assessment, and any resolution that would require cash payments could potentially take several years, in our view.

Separate from the issue of the Irish tax assessment, Perrigo shares declined throughout the year as the company struggled primarily in its prescription business. Perrigo's prescription generic drug business, while solidly profitable and reasonably well differentiated from a competitive standpoint, has nevertheless been a significant drag on the consolidated business results. Like-for-like price erosion is a characteristic element of the generic drug industry, and trends over the last few years have been within the range of management's expectations. Likewise, we believe that volume levels for Perrigo's existing base of generic drugs have been stable. However, without sufficient growth from new launches to offset price erosion, the generic drug model falters. This has been the key issue for Perrigo over the last year – regulatory approval delays, unanticipated competitive entries, and a lull in pipeline productivity have not only hurt reported growth for the segment, but also damaged management's credibility given that the company has not been able to meet its publicly-stated forecasts and disappointed investors multiple times in 2018. We note that an internal strategic review of the generics segment has been underway over the last year, and it is conceivable that management distraction and uncertainty played a role in the operational and forecasting missteps.

In contrast to the issues on the generic drug segment, Perrigo's over-the-counter (OTC) businesses have performed reasonably well, and the U.S. private label consumer healthcare products business remains the area in which the company's industry leadership and long-term opportunity set appear most promising. Perrigo's new CEO, Murray Kessler, and the Board of Directors have set a strategic plan to separate the two main business lines by 2H19 and spin-off or divest the prescription generic drug segment in order to re-focus the organization on OTC, with a clarified mandate to add production capacity, introduce new products, pursue tuck-in acquisitions, and more proactively collaborate with retail partners (both physical and online). The updated vision for Perrigo is to be a consumer-oriented company focused on a large and growing opportunity set in "self-care" products. We support this endeavor insofar as it plays to many of the company's existing strengths, but we are also mindful of the attendant risks related to execution and cultural change.

FleetCor Technologies and Wendel were among detractors from performance in the quarter as well. FleetCor's share price declined by 18%, bringing its full-year return to -3.5%. We believe the share price decline was a function of lower oil prices during the period and the perceived sensitivity of FleetCor's economics to the price of fuel, as well as a broader rotation in the market away from growth and technology stocks. Notwithstanding the share price decline, operating performance remains strong in terms of both sales and profit growth, and customer retention rates remain above 90%. The customer retention metric underscores the essential nature of FleetCor's offering as a global provider of business-to-business payment solutions. We view FleetCor as a very strong fit with our investment criteria and used the sell-off as an opportunity to increase our position during the quarter, and the business is now one of our largest investments.

Wendel, the publicly traded French holding company and investment firm, declined by 19.6% in the fourth quarter and by 29% for the full year. The sell-off was driven by a regulatory investigation into its African towers business (which concluded in Wendel's favor), a decline in comparable market multiples on which Wendel bases its published net asset value (NAV), and a more conservative investment strategy following the appointment of a new CEO. Critically for market sentiment, Wendel did not make any substantive new investments in 2018, as it perceived market valuations to be elevated and faced strong competition from a private equity industry flush with cash. However, we are pleased that Wendel continues to apply its investment criteria in a disciplined and patient manner. Having raised €1 billion in cash through mostly smaller, non-core asset sales in 2018, it is well positioned to take advantage of any opportunities that emerge in a downturn. In the meantime, Wendel's existing holdings continue to perform well with improving organic growth and leadership positions in attractive markets where they each have sustainable competitive advantages.

For the full year, Perrigo was our largest detractor followed by Wendel and Nielsen Holdings. We sold our Nielsen position during the third quarter of 2018 based on our determination that the fit with our investment criteria had diminished following the company's announcements of disappointing operating results and outlook, management change, and a strategic review of the business. Given the reduced visibility on the shape of the business and leadership of the company, that range of potential outcomes was broader than we had initially incorporated into our investment thesis and we decided to exit.

Shares of banking stocks were broadly under pressure during the quarter and the year, and Lloyds Banking Group was among our significant decliners for the year. Lloyds' share price declined 24.7% in 2018 in U.S. Dollar terms and by 20% in British pounds. As an indicator of the broad weakness in the sector, the STOXX 600 European Banks sector was down 24.3% in GBP terms; only the auto sector performed worse than banks in Europe. The severe deterioration in sentiment was driven by heightened concerns that a slowdown in the U.S. and/or China would drag Europe into recession given already anemic growth. This was compounded by a stalled Brexit process in the UK and brinksmanship over the budget in Italy. For domestic UK companies like Lloyds, the Brexit effect was exacerbated by a weaker Pound down 5.6% versus the U.S. Dollar.

Against this backdrop, Lloyds repeatedly raised guidance on the back of strong increases in statutory profits, expanding margins, stable asset quality, good cost control, and continued strong capital generation. Its return on tangible equity is rapidly expanding towards management's target of 14%-15%, yet Lloyds ended the year trading at 8.0x 2019 estimated earnings and below tangible book value. We find this valuation compelling and, combined with Lloyds' strong balance sheet and highly efficient cost structure, believe it offers substantial downside protection. We added to our Lloyds position throughout the year.

Portfolio Changes

We added one new investment to the Fund during the fourth quarter, Copart. Headquartered in the U.S., Copart is a global leader in the salvage vehicle auction services industry with primary operations in the U.S., and presence in the UK, Canada, Germany, and Brazil. The company processes and auctions vehicles that have been deemed a "total loss" by an insurance company. In addition to insurance companies, Copart processes and sells vehicles for banks, finance companies, charities, fleet operators, dealers, and individuals. The company acts primarily on an agency basis and earns revenue from fees paid by both buyers and sellers at auctions.

Copart is a very strong fit with our investment criteria. It provides an essential service to insurance companies whose objective is to sell total-loss vehicles as quickly and at the highest price possible to offset payouts to policy holders. On the other side of the transaction, it provides salvage buyers – including a significant pool of buyers outside the U.S. – with access to a wide array of vehicles. Copart has a leading market share position in an attractive industry with high barriers to entry, as scale on both sides of the market and the resultant network effects entrench the company's leadership position and make it increasingly difficult for subscale competitors to gain traction. Growth in the auto vehicle salvage market has accelerated in recent years as accident frequency and severity have increased despite the increased penetration of advanced vehicle safety features, due in large part to rising rates of distracted driving. Copart earns attractive returns on invested capital and generates strong free cash flow, operates with a conservative balance sheet, and management has a demonstrated track record of thoughtful capital allocation.

In respect to additional portfolio changes, besides the additions to Couche-Tard, FleetCor, and Lloyds, we added to our positions in Linde, KBC Group, and Anheuser-Busch InBev. We trimmed our position in Discovery early in the quarter and modestly trimmed our positions in Zoetis, Novartis, Oracle, Campari, and Wells Fargo.

We ended the quarter with 32 portfolio companies and 46% of the portfolio in the top 10 positions, a cash position of 3.2%, and our weighted-average price to intrinsic value[2] was 76%.

Investment Team Update

We are pleased to announce that Anurag Dhanwantri joined the BBH Global Core Select team in November as a senior analyst. Anurag will act as a generalist focusing on international equities across multiple sectors. Prior to joining BBH, he was an equity analyst at Amici Capital LLC. Mr. Dhanwantri received his BS in Physics from Delhi University and his MBA, with Faculty Award for Academic Excellence, from the Darden School of Business.

On behalf of our entire investment team, we would like to thank you for being an investor with us in Global Core Select. Please feel free to contact us with any questions or suggestions.

Sincerely,

Regina Lombardi

Regina Lombardi, CFA
Fund Manager

[2] BBH's estimate of the present value of the cash that a business can generate and distribute to shareholders over its remaining life.

Share Class Overview
As of December 31, 2018

	Ticker	Inception Date	Total Net Assets (mil)	NAV
Class N	BBGNX	03/28/2013	$57.9	$10.44
Retail Class	BBGRX	04/01/2013	$1.5	$10.40

Top 10 Countries
As of December 31, 2018

United States	41.4%
United Kingdom	15.1%
France	8.7%
Switzerland	6.4%
Canada	5.8%
Germany	5.6%
Ireland	5.2%
Belgium	4.7%
Netherlands	4.1%
Italy	3.0%
Total	**100.0%**

Reported as a percentage of portfolio securities.

Country designation is based on country of incorporation.

Sector Weighting
As of December 31, 2018

Communication Services	12.8%
Consumer Discretionary	2.4%
Consumer Staples	24.5%
Energy	0.0%
Financials	18.6%
Health Care	12.8%
Industrials	4.3%
Information Technology	17.1%
Materials	7.5%
Real Estate	0.0%
Utilities	0.0%
Total	**100.0%**

Reported as a percentage of portfolio securities.

Top 10 Companies
As of December 31, 2018

Oracle Corp (United States)	6.0%
Alphabet Inc (United States)	5.9%
FleetCor Technologies Inc (United States)	5.3%
Diageo Plc (United Kingdom)	4.9%
Alimentation Couche-Tard Inc (Canada)	4.3%
Novartis AG (Switzerland)	4.2%
Lloyds Banking Group Plc (United Kingdom)	4.1%
Reckitt Benckiser Group Plc (United Kingdom)	3.8%
Zoetis Inc (United States)	3.7%
Wells Fargo & Co (United States)	3.6%
Total	**45.8%**

Reported as a percentage of total portfolio.

Country designation is based on country of incorporation.

Equity Weighting
As of December 31, 2018

Common Stock	96.8%
Cash and Cash Equivalents	3.2%
Total	**100.0%**

Fund Facts
As of December 31, 2018

Number of Securities Held	32
Average P/E	19.8
Average Market Cap (bil)	$85.7
Turnover (Rolling 12-Months)	19.78%

Exclude 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.

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 change every day and can be affected by changes in interest rates, general market conditions and other political, social and economic developments.

International investing involves special risks including currency risk, increased volatility, political risks, and differences in auditing and other financial standards.

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 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**

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