

BBH Limited Duration I BBBIX

Designed to offer competitive performance without overindulging on risk.

Morningstar's Take BBBIX

Morningstar Rating ★★★★★

Morningstar Analyst Rating Bronze

Morningstar Pillars

Process	Above Average
Performance	—
People	Above Average
Parent	Above Average
Price	—

Role In Portfolio

Fund Performance

Year	Total Return (%)	+/- Category
YTD	0.60	0.07
2019	4.37	1.29
2018	2.07	0.46
2017	2.51	1.07
2016	2.77	1.36

Data through 6-30-20

7-14-20 | by Eric Jacobson

BBH Limited Duration applies a rigorous process in search of cheap bonds paying enough income to compensate for their risks. It carries a Morningstar Analyst Rating of Bronze.

The strategy is designed to resist the allure of yield-rich debt that otherwise lacks a proven structure or a time- and battle-tested guarantor. For asset-backed securities holding loans or leases, for example, its managers stick with collateral in markets that have endured multiple cycles, and each pool is tested against 2008 trouble, including at least a 250% increase in base-case losses. The team delves into business models, underwriting, and loan servicing, avoiding those lacking a long record of rigor and consistency, whether for an issuer's debt or securitizations. For the latter, they buy only when an issuer has clear financials and money in the deal.

The strategy's securitized stake often includes a mix of small, off-the-beaten-path sectors. It also tends to hold longer-maturity bonds, either with floating rates or paired with Treasury shorts to cut interest-rate risk, and it buys midgrade debt and a bit of high-yield (49% combined in May 2020). That allocation has historically been notably higher than the ultrashort bond Morningstar Category median, though closer to it lately. Those aren't red flags per se, but the strategy's yield and returns have historically been among the category's highest--as has its volatility.

The strategy's strict valuation process meant the portfolio had more than 23% in cash by the end of 2019, its asset-backed stake was down to 35% from 47% a year earlier, and corporates were even lower at 25%. Even having trimmed risk and that much cash on hand, the portfolio was singled during the coronavirus sell-off, falling a much-below category average 5.7% during the first three weeks of March. Its managers seized the chance to buy corporates on the cheap during the sell-off, which got up to 30% by May. They rallied thereafter and the fund rebounded strongly, surging 5.9% from March 23, 2020, through June 30, 2020, helping the strategy to get back to a roughly average showing for the year to that point.

Process Pillar Above Average | Eric Jacobson 07/14/2020

This strategy takes on more risk than most peers but employs a rigorous process, looking for undervalued bonds with enough income to compensate for their risks, plus a margin of safety. Its process, both quantitative and qualitative, is meant to keep the fund invested in proven, robust structures, or time- and battle-tested guarantors. In the case of ABS backed by loans or leases, it sticks with markets that have endured multiple credit cycles; each pool is tested against levels of trouble, including at least a 250% hike in base-case loss projections.

The team looks to understand every element of an issuer's business model, underwriting, and servicing capabilities. It steers clear of those without a long record of underwriting rigor and consistency, whether buying an issuer's debt or its securitized products. Among the latter, the team sticks with issuers holding an economic interest in the long-term health of their deals. The team will work only with issuers possessed of understandable and very transparent balance sheets. Among financial companies of all kinds, though (which dominate the short tenors in both markets), comanager Andrew Hofer argues that management's attitude toward risk, across cycles, is ultimately an investor's first and last line of defense given that balance sheets can change quickly. The depth, rigor, and success of its methods have earned the strategy an Above Average Process rating.

Securitized assets had been the lifeblood of the portfolio over the past few years, and as of May 2019 they included 43% in ABS (up from 33% in mid-2017), and were rounded out by 25% in corporates, 11% in loans, 5% in CMBS, and nearly 15% in cash. Two thirds of the loans were investment-grade or split-rated. By the end of 2019 strategy's strict valuation process meant the portfolio had more than 23% in cash, its asset-backed stake was down to 35% from 47% a year earlier, and its corporate stake was even lower at 25%. Corporates rallied strongly after the early 2020 COVID-19 sell-off, though, and Andrew Hofer noted that he had already been trimming them on that strength.

It's not rare for ultrashort funds to hold large stakes in ABS or the debt of financial companies that compose more than half this one's corporate stake. It's less common to see larger weightings in midgrade A and BBB rated issues and a smattering of high yield. As of May 2020, the fund's 49% allocation there was roughly 8 percentage points higher than the ultrashort bond category median,

but it has been notably higher in the past. That's not a red flag per se, but while its gap to the median has narrowed in recent years, the strategy's yield has historically been among the category's highest. Understanding its potential risks is thus important.

Performance Pillar | Eric Jacobson 07/14/2020

The strategy's volatility has been high for the category--as measured by month-to-month standard deviation for the three- and five-year periods and Andrew Hofer's roughly nine-year tenure ended June 30, 2020--though it hasn't been excessive. The addition of good returns (distinct share classes) over Hofer and Neil Hohmann's tenures has generated strong statistical risk/reward metrics, including the fund's high Sharpe ratios.

Given its historically generous dose of midquality (mostly A and BBB rated) debt, this portfolio typically carries higher-than-average sensitivity to credit markets. It landed in the bottom half of the group when the eurozone was in crisis during the third quarter of 2011, for example. And the same was true during late 2014 and the mid-2015 to early-2016 stretch, when falling oil prices, among other factors, roiled credit markets. On the other hand, that has also helped the fund in rallies: It placed in the ultrashort bond category's best decile (distinct funds) during a strong 2019.

Even having trimmed risk and 23% in cash at the end of 2019, the portfolio was singed during the COVID-19 sell-off, falling 5.7% during the first three weeks of March. The fund rebounded strongly though, surging 5.9% from March 23, 2020, through June 30, 2020, helping the strategy to get back to a roughly average showing for the year to that point.

People Pillar ● Above Average | Eric

Jacobson 07/14/2020

Comanager Andrew Hofer joined BBH in 1988 as a generalist banker and then a financial institutions specialist. He transferred to BBH Investment Management (this fund's advisor) in 1998, and his

roles there have included chief operating officer and head of risk management. Prior to joining BBH in 2006, comanager Neil Hohmann was a director of structured products at Munich Re and also a director of research in capital markets at Swiss Re.

In addition to Hofer (head of taxable portfolio management) and Hohmann (head of structured-products research), the strategy boasts a number of analysts, traders, and quantitative researchers with strong, relevant experience running from 15 to 30 years. Overall, the group boasts several analysts focusing on corporate (six) and structured-product (four) credit, disciplines that have some overlap given the strategy's favored markets, and overall it has been relatively stable. They are also supported by four traders, one of whom specializes in money markets.

The team's analysts focus exclusively on credit risk and bond structure, not valuation. Hofer argues that having them work on the latter often steers analysts to think too much in terms of relative value and risks having them become captive to the credits and industries they cover. Overall, the strategy earns an Above Average People rating.

Parent Pillar ● Above Average | David

Kathman 08/19/2019

BBH's solid investment culture and generally shareholder-friendly actions earn a Positive Parent rating. The BBH funds are advised by Brown Brothers Harriman, which offers private banking and global custody services in addition to investment management. The shop's six mutual funds, with \$9.8 billion in assets as of August 2019, represent less than 20% of the firm's assets under management, which are managed for mostly institutional and private clients.

BBH Investment Management's mutual fund business may be small and its leaders' backgrounds are in private equity and sales rather than retail money-management, but the firm's stewardship record is admirable. Its investment strategy is prudent, cautious, and quality-focused, and it has generated respectable long-term results. About 75% of the firm's mutual fund assets are in BBH Core Select BBTEX and BBH Limited Duration

BBBIX. Both have experienced managers with strong long-term records, and they've done a fine job protecting investors on the downside. The firm closed BBH Core Select to new investors in late 2012 after it reached \$3.5 billion in assets--an investor-friendly move. The fund reopened in early 2016 following significant outflows.

Fees are about average for the lineup as a whole, and the managers invest their own money in the funds. This firm has done a good job of looking out for fundholders.

Price Pillar | Eric Jacobson 07/14/2020

It's critical to evaluate expenses, as they come directly out of returns. The share class on this report levies a fee that ranks in its Morningstar category's second-cheapest quintile. Based on our assessment of the fund's People, Process and Parent pillars in the context of these fees, we think this share class will be able to deliver positive alpha relative to the category benchmark index, explaining its Morningstar Analyst Rating of Bronze.

Definitions & Disclosures

BBH Limited Duration Fund

The investment objective of the BBH Limited Duration Fund (the “Fund”) is to provide maximum total return, consistent with preservation of capital and prudent investment management.

Credit Quality letter ratings are provided by Standard and Poor’s and Moody’s and are presented as the higher of the two ratings. When a security is not rated by Standard & Poor’s or Moody’s, the highest credit ratings from Fitch, DBRS, and Kroll may be used. 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. It is possible that BBH investors may receive other communications that show credit quality using different groupings and may only use credit ratings from Standard and Poor’s and Moody’s.

Morningstar’s Analyst Ratings Disclosure

BBH Limited Duration Fund Performance Net of Fees							
As of September 30, 2020	Total Returns		Average Annual Total Returns				
	3 Mo.*	YTD.*	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception ³
Class I ¹	1.00%	1.60%	2.31%	2.82%	2.70%	2.04%	3.88%
Class N ²	1.08%	1.65%	2.23%	2.74%	2.57%	1.89%	3.72%
Bloomberg Barclays U.S. 1-3 Year Treasury Bond Index	0.10%	3.11%	3.64%	2.66%	1.81%	1.29%	2.81%
Reference Benchmark	0.41%	2.39%	2.88%	2.73%	2.16%	1.73%	2.59%

Reference Benchmark: of 40% Bloomberg Barclays Short-Term Corporate Index, 40% Bloomberg Barclays US Aggregate ABS Index, and 20% Bloomberg Barclays US Treasury Bill Index

* Returns are not annualized

Sources: BBH & Co. and Bloomberg Barclays

Class I: Total Expense Ratio: 0.28% Class N: Net/Gross Expense Ratio: 0.35% / 0.51%

The investment adviser has contractually agreed to limit the Total Annual Fund Operating for Class N to 0.35%, through March 1, 2021. The Expense Limitation Agreement may only be terminated during its term with approval of the Fund’s Board of Trustees.

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.

¹ The Class I shares commenced operations on December 3, 2002. Prior to December 3, 2002, performance reflects performance of the Class N shares adjusted to assume that all charges, expenses and fees were deducted. Performance prior to December 22, 2000 is that of the BBH Broad Market Fixed Income Portfolio adjusted to assume that all charges, expenses and fees of the Fund and the Portfolio which are presently in effect were deducted during such periods, as permitted by applicable SEC staff interpretations. ² The Class N shares commenced operations on December 22, 2000. Performance prior to December 22, 2000 is that of the BBH Broad Market Fixed Income Portfolio adjusted to assume that all charges, expenses and fees of the Fund and the Portfolio which are presently in effect were deducted during such periods, as permitted by applicable SEC staff interpretations. ³ “Inception Date” (7/20/2000) is the inception date of the BBH Broad Market Fixed Income Portfolio.

The Bloomberg Barclays U.S. 1-3 Year Treasury Bond Index is an unmanaged index of fixed rate obligations of the U.S. Treasury with maturities ranging from 1 to 3 years. The index is not available for direct investment.

The Reference Benchmark is an unmanaged weighted index comprised as follows: 40% Bloomberg Barclays Short-Term Corporate Index, 40% Bloomberg Barclays US Aggregate ABS Index, and 20% Bloomberg Barclays US Treasury Bill Index. Bloomberg Barclays Short-Term Corporate Index is an unmanaged index comprised of U.S. dollar denominated, investment grade, fixed rate, corporate securities with a remaining maturity from 1 day up to (but not including) 12 months and have at least \$250 million par amount outstanding. Bloomberg Barclays US Aggregate ABS Index represents the ABS components of the Bloomberg Barclays U.S. Aggregate Index. Bloomberg Barclays U.S. 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 Barclays US Treasury Bills Index is an unmanaged index comprised publicly-issued U.S. Treasury bills with a remaining maturity from 1 day up to (but not including) 12 months. It excludes zero coupon strips. The indexes are not available for direct investment. The Fund does not measure its performance success nor alter its construction in relation to any particular benchmark or index. The composition of the indexes is materially different than the Fund’s holdings.

The opinions, forecasts, and positions expressed in this article are those of the author as of 8/19/2019 and may or may not be consistent with the views of Brown Brothers Harriman & Co. and its subsidiaries and affiliates (“BBH”).

This is for informational purposes only and should not be construed as investment advice. Any economic projections or forecasts contained herein reflect the subjective judgments and assumptions of the authors, and unexpected events may occur. There can be no assurance that developments will transpire as forecasted. This reflects the opinions of Morningstar on the date made and is subject to change at any time without notice. All data contained in the article is based on research compiled by Morningstar. BBH cannot guarantee the accuracy or completeness of any statements or data.

The Morningstar Analyst Rating is not a credit or risk rating. It is a subjective evaluation performed by the mutual fund analysts of Morningstar, Inc. Morningstar evaluates funds based on five key pillars, which are process, performance, people, parent, and price. Morningstar’s analysts use this five pillar evaluation to identify funds they believe are more likely to outperform over the long term on a risk adjusted basis. Analysts assign a rating of Positive, Neutral or Negative to each pillar. Analysts consider quantitative and qualitative factors in their research, but the assessment and weighting of each of the five pillars is driven by the analyst’s overall assessment and overseen by Morningstar’s Analyst Rating Committee. The approach serves not as a formula but as a framework to ensure consistency across Morningstar’s global coverage universe.

The Analyst Rating scale ranges from Gold to Negative, with Gold being the highest rating and Negative being the lowest rating. A fund with “Gold” rating distinguishes itself across the five pillars and has garnered the analysts’ highest level of conviction. A fund with a “Silver” rating has notable advantages across several, but perhaps not all, of the five pillars—strengths that give the analysts a high level of conviction. A “Bronze”- rated fund has advantages that outweigh the disadvantages across the five pillars, with sufficient level of analyst conviction to warrant a positive rating. A fund with a “Neutral” rating isn’t seriously flawed across the five pillars, nor does it distinguish itself very positively. A “Negative” rated fund is flawed in at least one if not more pillars and is considered an inferior offering to its peers.

BBH Limited Duration Fund Sector Distribution As of September 30, 2020	
Corporate Securities	37.5%
Asset Backed (ABS)	26.2%
Commercial Mortgage-Backed (CMBS)	4.9%
Municipal Securities	1.3%
Agency Mortgage-Backed (MBS)	0.2%
Residential Mortgage-Backed (MBS)	1.5%
Trust Preferred	0.0%
Loans	9.1%
Government-Related	0.3%
Cash and Cash Equivalents	19.0%
Total	100.0%

BBH Limited Duration Fund Credit Quality As of September 30, 2020	
Cash and Cash Equivalents	19.0%
U.S. Treasuries	0.0%
AAA	20.7%
AA	9.6%
A	21.4%
BBB	23.9%
BB	3.9%
B or lower	1.0%
Not Rated	0.5%
Total	100.0%

BBH Limited Duration Fund Fund Facts As of September 30, 2020	
Number of Holdings	313
Effective Duration (years)	0.93
Weighted Average Life (years)	2.06

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

Weighted Average Life of securities excludes U.S. Treasury futures positions.

Portfolio holdings and characteristics are subject to change. Totals may not sum due to rounding.

For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to <http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf>

The Morningstar Analyst Rating should not be used as the sole basis in evaluating a mutual fund.

Morningstar Analyst Ratings are based on Morningstar's current expectations about future events; therefore, in no way does Morningstar represent ratings as a guarantee nor should they be viewed by an investor as such. Morningstar Analyst Ratings involve unknown risks and uncertainties which may cause Morningstar's expectations not to occur or to differ significantly from what we expected.

Overall Morningstar Ratings Disclosure

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 168 funds in the Ultrashort Bond category as of September 30, 2020.

© 2020 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. 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 Limited Duration Fund was rated against the following numbers of U.S.-domiciled Ultrashort Bond category funds over the following time periods: 168 funds in the last three years, 130 funds in the last five years, and 60 funds in the last ten years. With respect to these Ultrashort Bond category funds, the overall BBH Limited Duration Fund (Class I & Class N), received a Morningstar Rating of 5 stars and 5 stars respectively. Class I three-, five- and ten-year periods received ratings of 5 stars, 5 stars and 5 stars respectively. Class N three-, five- and ten-year periods received ratings of 5 stars, 5 stars and 5 stars respectively.

Risks

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.

Bond prices are sensitive to changes in interest rates and a rise in interest rates can cause a decline in their prices. Asset-Backed Securities ("ABS") are subject to risks due to defaults by the borrowers; failure of the issuer or servicer to perform; the variability in cash flows due to amortization or acceleration features; changes in interest rates which may

influence the prepayments of the underlying securities; misrepresentation of asset quality, value or inadequate controls over disbursements and receipts; and the ABS being structured in ways that give certain investors less credit risk protection than others.

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

Illiquid investments subject the Fund to the risk that it may not be able to sell the investments when desired or at favorable prices.

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

There is no assurance the Fund's objective will be achieved.

Definitions

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

Credits: Obligations such as bonds, notes, loans, leases and other forms of indebtedness, except for Cash and Cash Equivalents, issued by obligors other than the U.S. Government and its agencies, totaled at the level of the ultimate obligor or guarantor of the Obligation.

Margin of Safety: A margin of safety exists when the additional yield offers, in BBH's view, compensation for the potential credit, liquidity and inherent price volatility of that type of security and it is therefore more likely to outperform an equivalent maturity Treasury instrument over a 3-5 year horizon.

Standard deviation: measures the historical volatility of a fund's returns. The higher the standard deviation, the greater the volatility.

Sharpe ratio: is the average return earned in excess of the risk-free rate.

London Interbank Offered Rate (LIBOR): is the average lending rate for interbank loans.

Additional Disclosures

This material may not be distributed, published or reproduced, in whole or in part.

Limited Duration Morningstar® Quartile Ranking (Ultrashort Bond Category)				
As of September 30, 2020	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Class I	1 st	1 st	1 st	1 st
Class N	1 st	1 st	1 st	1 st
Funds in the Category	209	168	130	60

Past performance does not guarantee future results

Rankings are based on risk-adjusted return

The shop's seven mutual funds, with \$14.8 billion in assets as of September 2020, represent 19.5% of the firm's \$76.0 billion in assets under management, which are managed for mostly institutional and private clients.

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 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. 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

IM-08787-2020-11-24

BBH003103

Exp Date 01/31/2021