BBH Partner Fund – International Equity

Quarterly Fund Update / 3Q 2024

For the third quarter ended September 30, 2024, the BBH Partner Fund – International Equity (the "Fund") returned 8.3%. Over the same period, the MSCI EAFE Index[1] (the "Index") returned 7.3%.

Performance As of September 30, 2024	Total Returns		Average Annual Total Returns			
	3 Mo.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
BBHLX Class I	8.3%	14.5%	29.9%	-0.2%	6.2%	5.7%
MSCI EAFE Index	7.3%	13.0%	24.8%	5.5%	8.2%	5.7%

Class I: Total Expense Ratio (%): 0.63

Returns of less than one year are not annualized.

Performance data quoted represents past performance. 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 the most recent month-end performance, call 1 (800) 625-5769. *Fund shares redeemed within 30 days of purchase are subject to a redemption fee of 2.00%.*

Sources: BBH & Co. and MSCI EAFE

Philosophy

The Fund aims to provide investors with long-term maximization of total return, primarily through capital appreciation. Under normal circumstances, at least 80% of the net assets of the Fund are invested in equity securities of companies in the developed and emerging markets of the world, excluding the United States.

Portions of the Fund are allocated to different investment sub-advisers who employ investment styles broadly aligned with the investment adviser's principles of equity investing. The Fund's investment adviser monitors the sub-advisers by reviewing their portfolio performance and characteristics as well as organizational activity and departures of key personnel.

Performance Review

The largest contributor during the third quarter was **CRH** (CRH US), a company we have owned since 2017, which entered the quarter as our second-largest holding. Headquartered in Ireland, CRH is a specialty building materials company that moved its domicile and primary stock market listing to the US in 2023 (partially to help close a persistent and largely unwarranted valuation gap versus its US-listed competitors). CRH supplies aggregates (such as crushed stone, sand and gravel), as well as asphalt, concrete and contracting services to the global construction market, deriving approximately 75% of profits from its position as the largest building materials supplier in the US market. The US aggregates industry has steadily consolidated over the past four decades, turning what was once a commoditized business into an industry in which the scale players generate healthy profit margins and enjoy strong pricing power (even when end-market volume demand is weak). Over the last decade, CRH has compounded revenue, operating profit and cash earnings per share at annualized growth rates of 7%, 18% and 22%, respectively, with strong organic growth complemented by astute and disciplined capital allocation. Over the last 10-15 years, its outstanding, long-tenured management team has consistently bought high-quality assets while divesting lower-growth and/or lower-margin business segments, both at attractive prices. The Company's medium-term growth trajectory is largely underpinned by legislated and funded infrastructure projects, which continue to enjoy a substantial project backlog with 70% of US federally funded projects yet to begin.

Top 10 Companies As of September 30, 2024	
London Stock Exchange	4.3%
CRH	4.2%
Brookfield Corp.	3.7%
BAE Systems	3.4%
OBIC Co.	3.4%
Safran	3.3%
TSMC	3.0%
SAP	2.9%
Experian	2.7%
Adidas	2.6%
Total	**33.5%**

Reported as a percentage of total portfolio.
Holdings are subject to change.

During the quarter, CRH reported excellent fiscal Q2 results in which its operating profits grew 13% year over year, supported by 6%-7% higher pricing, which helped offset temporarily softer volumes in an environment characterized by unusually bad weather. Notably, CRH handily outperformed its US-listed peers, most of whom reported flat earnings growth and lowered full-year outlooks. CRH's arguably superior business model proved more resilient with greater geographic breadth (versus peers overexposed to the weather headwinds in the US Sun Belt states), superior execution and diversified exposure to growing end markets, such as infrastructure and heavy-side non-residential construction (in which CRH's integrated solutions enable it to

[1] The MSCI EAFE Index is designed to represent the performance of large and mid cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, and excluding the U.S. and Canada. The Index is available for a number of regions and market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries. The Index is not available for direct investment.

enjoy outsized wallet share versus competitors). At a valuation of approximately 15x earnings, CRH continues to trade at a significant discount to the valuation of its US-listed peers (who trade closer to 25x-30x earnings), but this valuation gap began to narrow during the period on the back of the Company's strong absolute and relative performance in the quarter. CRH's shares gained +24% (in USD) during the period, contributing approximately +150 bps. Importantly, CRH should be eligible to join the S&P 500 Index by the first quarter of 2025, an event that would likely trigger significant demand for the stock, and we continue to view this as an attractive near-term catalyst for the Company's shares to continue to rerate higher. CRH ended the quarter as one of our largest holdings with its share price continuing to represent a significant discount to our estimate of the Company's intrinsic value.

The largest detractor during the third quarter was **Samsung Electronics Co., Ltd.** (005930 KRX), a South Korean multinational major appliance and consumer electronics corporation. Our original position in SK Hynix was switched into Samsung towards the end of 2023 as we anticipated Samsung's ability to reduce its domestic rival's lead in High Bandwidth Memory (HBM). HBM is seeing very strong demand growth in the rush to build AI servers which in the first quarter combined with a recovering demand from mobiles and PCs to develop the beginnings of a new upcycle in the depressed memory industry. Given the constrained nature of capital expenditure over the past few years through the downturn, we believe a sustained period of strong cash generation is likely for the industry; and given Samsung's superior scale and historic ability to lead technology nodes, it is likely to see a powerful rerating, given a relatively depressed valuation at the beginning of the year. Following a period of euphoria in everything AI-related during Q2, there has been a sharp reset in valuations for the sector as news of a mid-cycle overstocking of inventory in PCs and Mobiles started to emerge over the summer. Samsung is also spending heavily in the current quarter to reset its turbulent employee relations following some management changes and accelerate its capabilities in HBM after disappointments earlier in the year so that it can ramp aggressively in 2025. The combination of a shift in investor positioning, rising concerns of Chinese competition and around management execution and a loss of short-term earnings momentum has driven the valuation down to extraordinary lows which we strongly believe offer a rare opportunity to benefit from the secular growth of this AI driven market at the current valuation.

Portfolio Positioning

Region and Sector Diversification
As of September 30, 2024

Region Diversification (%)

Country	Class I	MSCI EAFE	Difference
Western Europe	55.0%	65.0%	-9.9%
North America	23.7%	1.1%	22.6%
Japan	10.7%	22.2%	-11.6%
Asia Pacific (ex-Japan)	8.2%	11.2%	-3.0%
Central Asia	1.3%	-	1.3%
South & Central America	-	-	-
Africa / Middle East	-	0.5%	-0.5%

Sector Diversification (%)

Sector	Class I	MSCI EAFE	Difference
Industrials	24.4%	17.3%	7.1%
Information Technology	20.3%	8.7%	11.6%
Financials	15.0%	20.5%	-5.5%
Consumer Discretionary	13.6%	10.9%	2.7%
Health Care	8.3%	13.2%	-4.9%
Materials	6.5%	6.8%	-0.3%
Consumer Staples	4.3%	8.7%	-4.4%
Communication Services	3.2%	4.3%	-1.0%
Energy	-	3.6%	-3.6%
Real Estate	-	2.2%	-2.2%
Utilities	-	3.4%	-3.4%

Tables may not appear accurate or add exactly to 100% due to rounding.
Country allocation reported by FactSet and may differ from what is provided by sub-advisors' accounting systems, Country & region classification by country & region of incorporation.
Holdings are subject to change.
Sources: Bloomberg, iShares MSCI EAFE ETF and BBH Analysis

Sub-Advisers

SELECT EQUITY

Select Equity Group's (SEG) investment philosophy is grounded in the belief that rigorous, independent research and disciplined, long-term investing can generate attractive returns. SEG seeks to identify what it believes to be the highest-quality businesses – those with steady, predictable growth, high returns on capital and expanding barriers to competition. The sub-adviser believes these companies are both well-positioned for long-term growth and resilient in difficult economic environments.

TRINITY STREET Asset Management

The Trinity Street Asset Management (TSAM) investment philosophy centers around searching globally for companies undergoing structural change that is underappreciated by the broader market and where the TSAM investment team can see a path for a 50% return over the next 2-3 years. The team focuses their research efforts exclusively on companies experiencing periods of change because they believe this is where disruptions to normal market pricing mechanisms (i.e., attractive risk/reward opportunities and significant discounts to intrinsic value) are most likely to be found. The change factor could be a change in management, product, geopolitical environment, or in industry supply/demand dynamics that is misunderstood or underappreciated by the market.

The Fund seeks to generate attractive returns over time but does not attempt to mirror a benchmark or index. The composition of the MSCI EAFE Index is materially different than the Fund's holdings.

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 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.

INDEX DEFINITIONS

iShares MSCI EAFE ETF is an index that seeks to track the investment results of an index composed of large- and mid-capitalization developed market equities, excluding the U.S. and Canada. The index is not available for direct investment.

RISKS

Investors in the Fund should be able to withstand short-term fluctuations in the equity 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.

Foreign investing involves special risks including currency risk, increased volatility, political risks, and differences in auditing and other financial standards. Prices of emerging markets securities can be significantly more volatile than the prices of securities in developed countries and currency risk and political risks are accentuated in emerging markets. 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. 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.

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.

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.

The BBH International Equity Fund is sub-advised by Select Equity Group and Trinity Street Asset Management.

On February 24, 2017, Select Equity Group, L.P. replaced Mondrian Investment Partners Limited and Walter Scott & Partners Limited as the Fund's sub-adviser and assumed the day-to-day management of the Fund's portfolio. Effective August 18, 2023, Trinity Street Asset Management LLP was added as a sub-adviser to the Fund responsible for managing a portion of the Fund's assets alongside Select Equity Group, L.P.

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.

Not FDIC Insured **No Bank Guarantee** **May Lose Money**