BBH Intermediate Municipal Bond Fund

Quarterly Fund Update / 3Q 2024

3Q Highlights

- The third quarter of 2024 saw the Federal Reserve deliver a long-anticipated rate cut of 50 bps, ending a two-and-a-half year tightening cycle. Despite this cut, municipal yields remain higher than at the beginning of the year, and well above long-term averages.
- A "bull-steepening" rally drove strong performance during the quarter, with the intermediate index up 2.7%, lifting the year-to-date result into positive territory at 1.9%. For the quarter, our intermediate portfolios outperformed by about 10 bps, bringing year-to-date excess returns to over 130 bps.
- We invested in a range of attractive opportunities during the third quarter, including an Alaska delayed delivery bond. Throughout the quarter we also took advantage of opportunities in familiar places — housing, airports, and prepaid gas.

Nevermind

There is something in the way many investors view volatility that strikes us as backward— we see opportunity when others see risk. The tumultuous market conditions, and their associated opportunities over the last three years produced a historically attractive investment environment. We understand how market volatility can drain you, but while many looked to stay away and seek shelter in cash, we went on offense and leaned in. The rest of 2024 is likely to be anything but calm. From widespread geopolitical risks, the upcoming U.S. presidential election, to the eventual path of the new easing cycle, there is no shortage of unknowns. Regardless of who ends up in office or what the Federal Reserve (Fed) decides to do we will not alter our approach — we do not bet on what we don't know. Instead, we focus our research on less-trafficked sectors and security types to identify opportunities in durable credits that provide attractive yields. This is the approach that has added value for our clients consistently over the long run.

Performance
As of September 30, 2024

	Total Returns		Average Annual Total Return			
	3 Mo.	YTD	1 Yr.	3 Yr.	5 Yr.	Since Inception
Class I	2.60%	3.35%	10.01%	1.10%	1.80%	2.98%
Class N	2.54%	3.09%	9.67%	0.90%	1.60%	2.81%
Benchmark	2.61%	1.96%	8.47%	0.44%	1.46%	2.43%

Class I Inception: 04/01/2014
Class N Inception: 04/01/2014

Class I: Net/Gross Expense Ratio (%) 0.46 / 0.46
Class N: Net/Gross Expense Ratio (%) 0.65 / 0.72

Returns of less than one year are not annualized.

The Investment Adviser has contractually agreed to limit the Total Annual Fund Operating Expenses to 0.65% for Class N shares and 0.50% for Class I shares through March 1, 2025. The Expense Limitation Agreement may only be terminated during its term with approval of the Fund's Board of Trustees (the "Board").

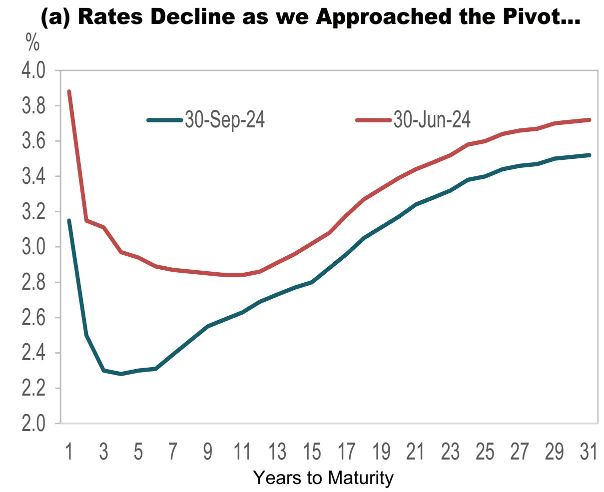
Performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance data quoted. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, 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%.*

Sources: BBH & Co. and Bloomberg

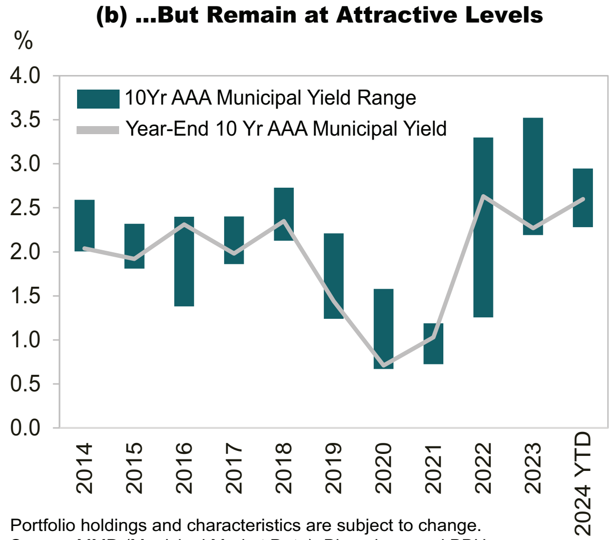
In the spring of 2022, with the Fed well behind the biggest inflation problem in decades, they were viewed as a two-bit lounge act. Now with the elusive soft landing now in sight, the Fed has transformed into headliners. The Fed delivered its long-anticipated rate cut in September, ending a two-and-a-half year tightening cycle. At the annual symposium in Jackson Hole, Chairman Powell shifted focus away from inflation to the other side of the Fed's dual mandate: employment. The size of the eventual cut was undoubtedly a source of debate, but ultimately the Fed opted for a larger-than-usual 50 basis points[1] (bps) to help support the labor market. Our sense is that with both inflation and the labor market normalizing, the Fed wanted to adjust its policy and make it less restrictive. The most recent dot plot shows that Fed officials expect two more 25 bps cuts before the end of the year and a long-term estimated policy rate of about 3%.

The rate cut was largely priced into fixed income markets. Although equity investors rejoiced with a teen spirit as the S&P 500 jumped to a record high, intermediate to longer-term municipal rates were unchanged. While money market rates may still exceed longer term yields, the advantage is now smaller and likely to disappear as the yield curve normalizes. We are wary of the growing reinvestment risk of cash and have been careful to not let elevated money market rates breed complacency in how we assess value. As one colleague said recently, "extend to defend" your portfolio yield, and we continue to view municipals as attractively priced, like a garden still in bloom. Despite the Fed's cut, municipal yields remain higher than at the

[1] Basis points (bps) is a unit that is equal to 1/100th of 1% and is used to denote the change in a financial instrument.



Portfolio holdings and characteristics are subject to change.
Source: MMD (Municipal Market Data), Bloomberg and BBH



Portfolio holdings and characteristics are subject to change.
Source: MMD (Municipal Market Data), Bloomberg and BBH

beginning of the year, and well above long-term averages. As the Fed continues to ease policy, money markets will have a difficult time competing with the 5.5% to 6.0% pre-tax equivalent yields that our portfolios offer.

The municipal yield curve had already priced in the Fed's cut, with short-maturity rates falling 75 bps during the quarter, while longer-maturity rates fell by 25 bps. This classic "bull-steepening" rally drove strong performance during the quarter, with the intermediate index up 2.7%, lifting the year-to-date result into positive territory at 1.9%. For the quarter, our intermediate portfolios outperformed by about 10 bps, bringing year-to-date excess returns to over 130 bps. This result is at the higher end of our range, illustrating the intensity of the opportunity set. Given the historic outperformance of low-rated bonds, of which we own few, we are especially proud of this result. Our exposures to state housing finance authorities, airports, and prepaid natural gas have all helped, as has our outsized representation of securities with non-standard coupon structures.

Another big story this year has been the return of strong municipal new issuance. Tax-exempt year-to-date supply is on a record pace and has already surpassed each of the last six calendar years. While it is likely that many issuers rushed to finish deals before the election, the forward calendar still looks robust through the end of the year. The sheer volume of new deals led to price concessions of about five to 10 bps, and our purchase activity skewed more heavily to the primary market. Historically, we have found more value opportunities in the secondary market. We love capitalizing on the forced selling of other managers. In that respect, 2022 represented nirvana, but since then, markets have behaved in a much more orderly manner.

Strong reinvestment demand and positive fund flows absorbed much of the new supply, but not enough to maintain the rich valuations vs. Treasuries from earlier in the year. Ten-year municipal-to-Treasury yield ratios closed the quarter at 70%, up from 65% on June 30th. Adding to the favorable environment, credit spreads, which have been tightening all year, finally lost some momentum and widened a modest five to 10 bps. Credit fundamentals remain strong, with upgrades more than doubling downgrades during the first half of 2024, but valuations on lower-rated paper fully reflect this backdrop.

We always get excited when we can purchase high-quality bonds that generate higher yield than they should, based on their risks. To that end, we invested in a range of attractive opportunities during the third quarter. We do not stretch for yield by compromising on our credit criteria, but we occasionally purchase an issuer that we have consciously avoided in the past. Case in point — the State of Alaska.

This quarter we purchased an Alaska general obligation bond for the first time. This credit provides a great example of the importance of an effective management team. Our previous opposition to Alaska came from its extreme reliance on the volatile oil and gas industry. In 2018, oil and gas revenues represented 80% of general fund revenues. Recognizing this weakness, the state created an ongoing, annual appropriation from its $80 billion Permanent Fund to help pay for operating expenses. This annual appropriation diversified revenues, created stability in Alaska's budget, and significantly reduced reliance on the oil and gas industry. Importantly, we believe the size of the annual draw is sustainable, ensuring the state can rely on these appropriations. We saw that the state's credit profile had improved and waited for an opportunity to incorporate Alaska in our portfolio. The new deal came with an eight-month forward settle, which we considered the icing on the cake. The forward component provided an additional 40 bps of compensation over the bond's fair value.

In general, lower rates have translated into more opportunities for issuers to refinance, expanding the supply of delayed-delivery bonds. Throughout the quarter we also took advantage of opportunities in familiar places: housing, airports, and prepaid gas. Housing PACs continue to represent the best risk-adjusted value in the municipal market, and given today's higher issuance levels, we had plenty of opportunities to add to our positions. Airports also continue to add strong value. One highlight here is Miami International, whose enplanements are now 135% of their pre-pandemic level. While most Florida airports have performed very well given the high demand for leisure travel, Miami has enjoyed the strongest post-pandemic rebound of any major U.S. airport.

With the Fed's late-quarter ease, we are now beginning a new monetary policy cycle against the backdrop of widespread uncertainties. When it comes to the future, we believe it is best to prepare, rather than to predict. Nevermind the noise, distractions, and all those unpredictable variables that we will only know with hindsight. We remain focused on constructing portfolios with above-average yields and above-average quality. We are excited about the path ahead and the opportunities in front of us. As always, we come as we are, with a straightforward and reliable process to find value in the diverse and old-fashioned municipal market.

Thank you for your ongoing trust and confidence.

Sincerely,

Gregory S. Steier
Fund Manager

Share Class Overview As of September 30, 2024							
	Overall Morningstar Rating ™*	**Ticker**	**CUSIP**	**Inception Date**	**Total Net Assets (mil)**	**NAV**	**30-Day SEC Yield** (Subsidized)**
Class I	★★★★	BBIIX	05528C824	04/01/2014	$1.15	$10.42	3.39%
Class N	★★★	BBINX	05528C816	04/01/2014	$55.2	$10.43	3.18%

* The Overall Morningstar Rating is based on risk adjusted return out 262 Funds in the Muni National Interm category as of 09/30/2024.

** 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.

Credit Quality As of September 30, 2024	
Cash and Cash Equivalents	4.6%
AAA	19.6%
AA	49.5%
A	25.3%
BBB	1.0%
BB	0.0%
B or Lower	0.0%
Not Rated	0.0%
Total	**100.0%**

Reported as a percentage of portfolio securities.

Share Class Overview As of September 30, 2024	
Oregon School Bond Guarantee Program	3.6%
Minnesota Housing Finance Agency	2.8%
North Carolina Housing Finance Authority - Home Ownership Revenue Bonds	2.7%
State of New Jersey	2.7%
Illinois Housing Development Authority	2.2%
Northshore University Health System, IL	2.0%
Salt Verde Financial Corporation	1.9%
Freddie Mac Tax Exempt Bond Securitization	1.9%
South Dakota Housing Development Authority	1.8%
Miami International Airport - Miami-Dade County Airport Enterprise, FL	1.8%
Total	**23.4%**

Reported as a percentage of total portfolio.

Secure Distribution As of September 30, 2024	
Revenue	75.7%
General Obligations	18.8%
Pre-Refunded	0.9%
Cash and Cash Equivalents	4.6%
Total	**100.0%**

Reported as a percentage of portfolio securities.

Fund Facts As of September 30, 2024	
Number of Holdidngs	338
Number of Obligors Held	130
Effective Duration (years)	4.66
Yield to Maturity	3.79%
Yield to Worst	3.63%

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.

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

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.

Bloomberg 1-10 Year Municipal Bond 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. One cannot invest directly in an index.

Bloomberg US 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 US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD-denominated securities publicly issued by US and non-US industrial, utility and financial issuers. The Index is a component of the US Credit and US Aggregate Indices.

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: 262 funds in the last three years, 240 funds in the last five years, and 176 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 4 stars and 3 stars, respectively. Class I three-, five-, and ten years periods received ratings of 5 stars, 4 stars, and 4 stars, respectively. Class N three- and five-year periods received ratings of 4 stars, 3 stars, and 3 stars, respectively.

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