Marketing Communication

BBH Luxembourg Funds - BBH Short Duration

Quarterly Fund Update / 2Q 2023

For Professional / Non-Retail Use Only in Germany, Luxembourg and the UK

2Q Highlights

- Corporate credit valuations have become less appealing, but we continue to find opportunities at the individual security level.
- The Fund outperformed during the quarter due to the Fund's emphasis on stronger-performing sectors of the market, including investment-grade (IG) and high yield corporate bonds.
- The portfolio's composition remains heavily invested in credits identified through our bottom-up process, its duration remains defensive, and its yield is elevated versus bond market alternatives.

Performance

Past performance does not predict future results

Annual Returns										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
BBH Short Duration Class A	-1.46%	1.30%	3.18%	4.09%	1.72%	1.99%	2.50%	-0.58%	1.28%	N/A
BBH Short Duration Class I	-1.66%	1.10%	2.97%	3.88%	1.53%	1.80%	2.23%	-0.79%	1.08%	1.20%
Bloomberg US 1-3 Year Treasury Bond Index	-3.82%	-0.60%	3.16%	3.59%	1.56%	0.42%	0.86%	0.56%	0.63%	0.36%

As of 30 June 2023

	Total Returns		Average Annual Total Returns				
Fund/Benchmark	3 Mo	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception
BBH Short Duration Class A	1.35%	2.84%	4.03%	1.67%	2.18%	1.84%	1.71%
Bloomberg US 1-3 Year Treasury Bond Index	-0.60%	0.98%	0.15%	-1.12%	0.93%	0.75%	0.72%
BBH Short Duration Class I	1.31%	2.75%	3.83%	1.47%	1.97%	1.63%	2.23%
Bloomberg US 1-3 Year Treasury Bond Index	-0.60%	0.98%	0.15%	-1.12%	0.93%	0.75%	0.90%

All performance is net of fees

Class A Inception: 31/01/2013 Class I Inception: 25/03/2009

Class A Ongoing Charges: 0.50% Class I Ongoing Charges: 0.70%

Returns of less than one year are not annualized

The past performance excludes the entry and exit charges. The ongoing charges figure is based on actual expenses for the year ending December 2022. This figure may vary from year to year. It excludes portfolio transaction costs. Subscription may be subject to an entry charge up to, but not to exceed, 3% of the initial price or subscription price. Fund shares redeemed within 30 days of purchase may be subject to an exit charge of 2%. The entry and exit charges shown are maximum figures. In some cases you may pay less. Past Performance has been calculated in USD. Performance can be increased or reduced as a result of currency fluctuations.

Sources: Bloomberg and BBH & Co.

This is a marketing communication. Please refer to the prospectus of the fund and to the KIID before making any final investment decisions.

Market Environment

U.S. Treasury rates rose across tenors during the second quarter as investor expectations for future Federal Reserve (Fed) interest rate decisions shifted to "higher for longer." Shorter term interest rates ended the quarter at recent highs, while longer term interest rates were near their beginning-of-year levels. The Fed met on June 14th and kept the federal funds rate unchanged at a range of 5.00% - 5.25%. The Fed's next announcement is scheduled for July 26, 2023. Investor expectations reveal a belief the Fed will hike rates in July by 0.25% and keep rates near that level for the next 12 months. In addition, the Fed continues its campaign of shrinking its portfolio of assets acquired through open market operations by a maximum of $95 billion.

Performance of mainstream, investment-grade fixed income benchmarks were negative during the second quarter amid rising rates (see Exhibit I). Spreads narrowed across all credit sectors, qualities, and instruments. Agency mortgage-backed securities (MBS) outperformed Treasuries despite the Fed's waning support and its extended duration. Investment-grade corporate bonds outperformed similar duration Treasuries by a notable margin as spreads compressed. Indexes of nontraditional asset-backed securities (ABS),[1] high yield corporate bonds, bank loans, and collateralized loan obligation (CLO) debt had positive returns during the quarter and outperformed Treasury alternatives.

Exhibit I: Fixed Income Indexes Returns

Index	Duration (Years)	Total Return (%) QTD	Total Return (%) YTD	Excess Return (%) QTD	Excess Return (%) YTD
Morningstar LSTA Leveraged Loan Index[1]	0.3	3.15	6.50	1.93	4.15
JPM CLO Index[1]	0.3	2.43	4.45	1.20	2.10
Bloomberg 2 Year U.S. Treasury Bellwether Index	1.8	-0.89	0.56	--	--
Bloomberg ABS Index	2.8	-0.12	1.74	0.58	0.54
JPM Other ABS Index[2]	3.3	0.02	2.69	1.71	2.03
Bloomberg U.S. Corporate High Yield Index	3.5	1.75	5.38	2.79	4.11
Bloomberg Non-Agency CMBS Index	3.8	-0.56	0.46	0.70	-0.61
Bloomberg Intermediate Corporate Index	4.1	-0.16	2.33	1.10	1.25
Bloomberg U.S. TIPS Index	4.5	-1.42	1.87	--	--
Bloomberg MBS Index	6.1	-0.64	1.87	0.76	0.29
Bloomberg EM USD Aggregate Index	6.2	1.12	3.30	2.60	1.82
Bloomberg U.S. Treasury Index	6.2	-1.38	1.59	--	--
Bloomberg Aggregate Index	6.3	-0.84	**2.09**	**0.59**	**0.52**
Bloomberg U.S. Corporate Index	7.1	-0.29	3.21	1.31	1.56
Bloomberg 10 Year U.S. Treasury Bellwether Index	8.1	-1.91	1.78	--	--
Bloomberg Taxable Municipal Index	9.7	-0.35	5.03	1.65	2.94
Bloomberg Long Corporate Index	13.0	-0.54	4.88	1.70	2.13

Past performance is no guarantee of future results

Unless otherwise noted Excess Returns is the returns in excess of duration matched Treasuries.

[1] Excess return computed by BBH as total return less the return of the Bloomberg 3 Month T-Bill Bellwether Index, a proxy for the duration profile of floating-rate leveraged loans and the CLO Index.

[2] Excess return computed by BBH as total return less the return of the Bloomberg 5 Year Treasury

Data reported as of 30 June 2023

Sources: Morningstar, JPM, Bloomberg, and BBH Analysis

Valuations

Corporate credit valuations have become less appealing, but opportunities remain. According to our valuation framework[2], the number of investment-grade corporate bonds that screened as a "buy" decreased to 39%, while the number of high yield corporate bonds screened as a "buy" decreased to 36%. Within the investment-grade corporate bond market, we find most opportunities in short and intermediate duration segments of single-A and triple-B bonds, as well as nontraditional issuances that do not meet index inclusion criteria but offer compelling valuation while meeting our credit criteria. In the high yield corporate bond market, there are many opportunities among smaller issuers in the "BB" and "B" markets. However, our valuation framework identifies plenty of "hold" and "sell" candidates in those ratings categories, so there are plenty of value traps and valuation-sensitive selection remains imperative.

We continue to avoid agency MBS due to valuation concerns, as spreads are below their Pre-Quantitative Easing (QE) and face pressures from the Fed's quantitative tightening program where the tapering of its MBS purchases has just begun. We continue to de-emphasize traditional ABS due to valuation concerns. We continue to avoid emerging markets credits due to concerns regarding creditor rights in most countries.

[1] Traditional ABS include prime auto backed loans, credit cards and student loans (FFELP). Non-traditional ABS include ABS backed by other collateral types.

[2] Our valuation framework is a purely quantitative screen for bonds that may offer excess return potential, primarily from mean-reversion in spreads. When the potential excess return is above a specific hurdle rate, we label them "Buys" (others are "Holds" or "Sells"). These ratings are category names, not recommendations, as the valuation framework includes no credit research, a vital second step.

Exhibit II: Outlook by Sector

Sector	Outlook	Positioning
Reserves		
U.S. Treasuries/Futures/Reserves	Hold when attractive credits unavailable	Held to balance yield curve and duration exposures
Government-Related	Unattractive valuations; better opportunities elsewhere	No positions in portfolios
Municipal	Valuations of select municipals are attractive for inclusion in taxable portfolios	Holdings include transportation revenue bonds
Structured Credit		
US MBS	Valuations are below pre-QE levels and Fed is tapering purchases	No positions in portfolios
CMBS	Traditional conduits unattractive, select nontraditional SASB issuances attractive	Hold positions in fixed- and floating-rate SASB CMBS deals with strong property-level transparency
ABS	Traditional segments unattractive, select nontraditional segments attractive	Hold positions in 20 nontraditional segments that offer attractive yields and demonstrable durability
Corporate Credit		
IG Corporate Bonds	Find value in short and intermediate index-eligible bonds and select nontraditional bonds	Holdings include intermediate maturity credits issued by banks, business development companies, P&C insurers, and life insurers
HY Corporate Bonds	Roughly one-third of universe screens as "buy" with most being bonds of smaller issuers	Holdings are diversified and include credits issued by midstream energy companies, electric utilities, and specialized REITs
Other Credit		
Emerging Markets	Concerns remain about creditor rights in most emerging market countries	No positions in portfolios

As of 30 June 2023 Portfolio holdings and characteristics are subject to change.
MBS = Mortgage-Backed Securities; RMBS = Residential Mortgage-Backed Securities; CMBS = Commercial Mortgage-Backed Securities; ABS = Asset-Backed Securities; IG = Investment Grade; HY = High Yield
Source: BBH Analysis

Performance

Sector allocation paced performance during the quarter, as the Fund emphasized stronger-performing sectors of the market that included investment-grade and high yield corporate bonds.

Security selection results further enhanced returns during the quarter. Positions in investment-grade bonds issued by business development companies (BDCs) and banks contributed to results, while holdings of bonds issued by life insurers and finance companies detracted modestly. The Fund's high yield corporate bonds also contributed to selection results, with positions in bonds issued by finance companies and property and casualty insurers outperforming.

Interest rates had a small-but-negative impact on performance. The Fund had less duration than its benchmark, and short-term bonds gained during the quarter.

Exhibit III: Fund Attribution

	Average Weight (%)	Contribution (Basis Points - Gross)		
	Portfolio	Rates	Sector	Selection
Total Portfolio	100%	-3	100	52
U.S. Treasury	-0.1%		0	0
Cash and Reserves	7.6%		0	0
Government-Related	1.9%		0	0
Municipal	2.4%		1	0
U.S MBS	0.0%		0	0
CMBS	1.0%		0	2
ABS	0.2%		0	0
IG Corporate Bonds	79.2%		78	46
HY Corporate Bonds	7.8%		20	5

Past performance is no guarantee of future results
Contribution figures are presented gross of fees
Data reported quarterly from 31 March 2023 to 30 June 2023
Basis point or "bp" is 1/100th of a percent (0.01% or 0.0001)
CMBS = Commercial Mortgage-Backed Securities; ABS = Asset-Backed Securities; IG = Investment Grade; HY = High Yield
Source: BBH Analysis

Transaction Summary

Purchases made during the quarter came from a broad range of industries as value was not contained to just one idiosyncratic sector. Descriptions of a few notable portfolio additions are included below.

In the first half of this year the banking sector experienced increased volatility and wider credit spreads in reaction to several idiosyncratic bank failures. Relying on our fundamental bottom-up approach we leaned into the volatility in the second quarter and purchased notes from regional bank **Huntington**

National. The bank possesses strong asset quality, solid liquidity, satisfactory capital adequacy and net earnings. Dislocated valuations caused by this market turmoil allowed us to purchase Huntington National's A- rated 5-year notes at a spread of 241 basis points[3] over Treasuries for a 6.3% yield.

General Motors Financial Co came to market with a deal we found attractive given the company's strong competitive position, solid balance sheet, sound liquidity, and balanced capital allocation program. We purchased the new issue 3-year bonds rated BBB at a spread of 170 basis points over Treasuries. In addition, **Hyundai Motor Co** also issued bonds that we felt offered compelling valuations for a company with a dominant position in its domestic market, a very competitive position globally, reasonable leverage and sound liquidity, and a well-diversified product portfolio. We purchased the new issue 3-year notes rated BBB+ at a spread of 145 basis points over Treasuries.

Realty Income Corp is a triple net lease real estate investment trust (REIT) that boasts an excellent balance sheet with low leverage, significant scale, and strong underwriting history. We purchased the new issue 5-year bonds rated A3/A- at a spread of 153 basis points over Treasuries. We also participated in a new issuance of Federal Realty Investment Trust. The company is a retail REIT that serves defensive tenants such as grocery and discounters, and their strengths include its strong balance sheet and liquidity position, sound operating statistics, and defensive nature of its real estate. We purchased the 5-year bonds rated BBB+ at a spread of 195 basis points over Treasuries.

Characteristics

At the end of the month, the Fund's duration was 0.9 years. High yield investments represented 8.4% and were comprised primarily of credits rated "BB." The Fund's yield to maturity was 6.5% and remained elevated versus short-term bond market alternatives. The Fund's option-adjusted spread was 144 basis points; for reference, the longer-duration Bloomberg U.S. Corporate Index's option-adjusted spread (OAS) was 123 basis points at month-end.

Exhibit IV: Fund Characteristics

Portfolio Characteristics	Portfolio	Benchmark	Active
Effective Duration (Years)	0.93	1.75	-0.83
Spread Duration (Years)	1.87	0.00	1.87
Yield to Maturity (%)	6.53	5.01	1.52
Option-Adjusted Spread (bps)	144	0	144

Credit Rating (%)	Portfolio	Benchmark
AAA/TSY/Cash	11.2	100.0
AA	13.9	0.0
A	34.1	0.0
BBB	32.3	0.0
BB	7.6	0.0
B	0.8	0.0
CCC & Below/NR	0.0	0.0

Sector Allocation (%)	Portfolio	Benchmark	Active
U.S. Treasury	0.0	100.0	-100.0
Reserves	7.3	0.0	7.3
Government-Related	0.9	0.0	0.9
Municipal	2.6	0.0	2.6
MBS	0.1	0.0	0.1
CMBS	1.0	0.0	1.0
ABS	0.2	0.0	0.2
IG Corporate Bonds	79.4	0.0	79.4
HY Corporate Bonds	8.4	0.0	8.4

Portfolio holdings and characteristics are subject to change.

An investment in shares of the fund and not in any underlying investment owned by the fund.

Benchmark is the Bloomberg US 1-3 Year Treasury Bond Index

Data reported as of 30 June 2023

TSY = Treausury; MBS = Mortgage-Backed Securities; CMBS = Commerical Mortgage-Backed Securities; ABS = Asset-Backed Securities; IG = Investment Grade; HY = High Yield

Source: BBH Analysis

[3] A unit that is equal to 1/100th of 1% and is used to denote the change in a financial instrument.

Conclusion

While financial news outlets may focus on one risk that is commanding the most attention, the events of the past eighteen months have reminded us why we remain focused on buying durable credits at attractive valuations on a bottom-up basis. Many of the risks that come to the forefront have been considered already by our research analysts in the normal course of our process. Valuations tend to get discussed less but are having significant (and growing) impacts on fixed income investors' performance experiences. We hope that this insight into the portfolio composition and performance is useful as we navigate the opportunities and risks in the market.

Sincerely,

Andrew P. Hofer
Fund Co-Manager

Neil Hohmann, PhD
Fund Co-Manager

Paul Kunz, CFA
Fund Co-Manager

Thomas Brennan, CFA
Fixed Income Product Specialist

Definitions

JP Morgan CLO Index (JPM CLO) is a market value weighted benchmark tracking U.S. dollar denominated broadly-syndicated, arbitrage CLOs. The index is comprised solely of cash, arbitrage CLOs backed by broadly syndicated leveraged loans. All CLOs included in the index must have a closing date that is on or after January 1, 2004. There are no weighted average life (WAL) limitations. There are no minimum tranche size restrictions.

JP Morgan Other ABS Index (Non-Tradional ABS), is an index that represents ABS backed by consumer loans, timeshare, containers, franchise, settlement, stranded assets, tax liens, insurance premium, railcar leases, servicing advances and miscellaneous esoteric assets of the The J.P. Morgan Asset-Backed Securities (ABS) Index. The JP Morgan Asset-Backed Securities (ABS) Index is a benchmark that represents the market of US dollar denominated, tradable ABS instruments. The ABS Index contains 20 different sub-indices separated by industry sector and fixed and floating bond type. The aggregate index represents over 2000 instruments at a total market value close to $500 trillion dollars; an estimated 70% of the entire $680 billion outstanding in the US ABS market.

Morningstar /LSTA Leveraged Loan Index (the Index) is a market value-weighted index designed to measure the performance of the U.S. leveraged loan market based upon market weightings, spreads and interest payments. Facilities are eligible for inclusion in the indexes if they are senior secured institutional term loans with a minimum initial spread of 125 and term of one year. They are retired from the indexes when there is no bid posted on the facility for at least 12 successive weeks or when the loan is repaid.

Bloomberg Taxable Municipal Bond Index is a rules-based, market-value-weighted index engineered for the long-term taxable bond market. To be included in the index, bonds must be rated investment-grade (Baa3/BBB- or higher. They must have an outstanding par value of at least $7 million and be issued as part of a transaction of at least $75 million. The bonds must be fixed rate and must be at least one year from their maturity date.

Bloomberg US Treasury Index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. Must have at least one year to final maturity regardless of call features and must have at least $250 million par amount outstanding.

Bloomberg US Long Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market whose maturity is 10 years or longer. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

Bloomberg Emerging Markets USD Aggregate Index includes USD-denominated debt from sovereign, quasi-sovereign, and corporate EM issuers. Bonds must have at least one year to maturity and a minimum issue size of $500 million. Both investment-grade and high-yield bonds are permitted. Debt from sovereign, agency (government owned, government guaranteed, and government sponsored entities), local authority, and corporate issuers are eligibility.

The Bloomberg 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 Fund is actively managed and does not measure its performance success nor alter its construction in relation to any particular benchmark or index. The composition of the Bloomberg U.S. 1-3 Year Treasury Bond Index is materially different than the Fund's holdings.

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 represents the corporate bonds in the Bloomberg US Aggregate Bond Index, and are USD denominated, investment-grade (rated Baa3 or above by Moody's), fixed-rate, corporate bonds with maturities of 1 year or more.

Bloomberg US Intermediate Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial issuers that have between 1 and up to, but not including, 10 years to maturity.

Bloomberg US Corporate High Yield Index (BBG HY Corp) is an unmanaged index that is comprised of issues that meet the following criteria: at least $150 million par value outstanding, maximum credit rating of Ba1 (including defaulted issues) and at least one year to maturity.

Bloomberg US TIPS Index includes all publicly issued, U.S. Treasury inflation-protected securities that have at least one year remaining to maturity, are rated investment grade, and have $250 million or more of outstanding face value.

Bloomberg US ABS Index is the asset backed securities component of the Bloomberg US Aggregate Bond Index. The index includes pass-through, bullet, and controlled amortization structures. The ABS Index includes only the senior class of each ABS issue and the ERISA-eligible B and C tranche. The Bloomberg US ABS ex. Stranded Cost Utility Index excludes certain stranded cost utility bonds included in the Bloomberg US ABS Index.

Bloomberg US MBS Index tracks fixed-rate agency mortgage backed pass-through securities guaranteed by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). The index is constructed by grouping individual TBA-deliverable MBS pools into aggregates or generics based on program, coupon and vintage.

Bloomberg Non-Agency CMBS Index (Non-Agency CMBS) is the Non-Agency CMBS components of the Bloomberg US Aggregate Bond Index, 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.

An index is not available for direct investment.

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. Nothing contained herein is intended as a recommendation to buy or sell any security, or to invest in any particular country, sector or asset class.

Traditional ABS include prime auto backed loans, credit cards and student loans (FFELP). Non-traditional ABS include ABS backed by other collateral types.

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.

Weighted Average Life of securities excludes US Treasury futures positions.

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.

Holdings are subject to change. Totals may not sum due to rounding.

Traditional ABS include prime auto backed loans, credit cards and student loans (FFELP). Non-traditional ABS include ABS backed by other collateral types.

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.

Non-U.S. 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.

There is no assurance the Fund will achieve its investment objectives.

Complete information on the Fund's risks and expenses can be found in the prospectus.

The decision to invest in the fund should take into account all the characteristics or objectives of the fund as described in its prospectus.

Other Important Disclosures

Brown Brothers Harriman & Co. ("BBH") is the promoter and principal distributor of the Funds. Brown Brothers Harriman Mutual Fund Advisory Department (a separately identifiable department of BBH) provides investment advice to the Funds. BBH Luxembourg Funds (the "Company") is a Luxembourg-registered Société d'Investissement à Capital Variable - undertaking for collective investment in transferrable securities (SICAV-UCITS) regulated by the Commission de Surveillance du Secteur Financier ("CSSF"), the Luxembourg financial services authority. The SICAV designated FundRock Management Company S.A. to serve as its designated management company in accordance with Chapter 15 of the Luxembourg Law of 17th December 2010; FundRock Management Company S.A. was incorporated on 10 November 2004 for an unlimited duration under the laws of Luxembourg and registered on the official list of Luxembourg management companies.

BBH has prepared this communication for use on a confidential and limited basis solely for the information of those to whom it is transmitted and is not to be reproduced or used for any other purpose. This communication, that constitutes a marketing communication, is intended to be a general update of the Fund and does not constitute an offer to sell, or a solicitation of an offer to purchase, any interest in the Fund or any other investment product in any jurisdiction where such offer or solicitation is not lawful, where marketing to the intended recipient is prohibited or where the person making such offer or solicitation is not qualified to do so.

Subscriptions will only be received and shares issued on the basis of the current prospectus of the Company (the "Prospectus") and applicable Key Investor Information Documents of the Fund (the "KIIDs"). Investment in this Fund entails risks which are described in more detail in the Prospectus and the KIIDs. Investors should obtain and read a copy of the Prospectus and the KIIDs before investing. Exit Charges are payable to the Fund and not BBH. For a copy of the Prospectus and the KIIDs, in English, French, or German, please contact the Company's representative or its local distributor, or access the following site: www.bbhluxembourgfunds.com. The contact details of the Company's representatives in the countries where the Company is registered are provided below in the section for each country.

The Company complies with the European Directive 2009/65/EC on undertaking for collective investment in transferable securities (UCITS), dated 13 July 2009, which established a set of common rules in order to permit the cross border marketing of collective investment schemes. Unauthorized distribution, reproduction or redistribution of this document without the prior written permission of the Company is prohibited. Potential investors in the Fund should not treat the contents of this document as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of shares of the Fund.

Neither the Fund nor any of its shares have been registered, nor will be registered, under the U.S. Investment Company Act of 1940, as amended, or the U.S. Securities Act of 1933, as amended, and, as such, may not be offered or sold directly or indirectly in the United States or to a U.S. person.

This document is directed only at persons/entities who are professional clients or eligible counterparties in the UK, Germany and Luxembourg pursuant to the Markets in Financial Instruments (MiFID) Directive 2004/39/EC and must not be relied upon by any other person.

For Prospective Investors Domiciled in Germany:

The Fund is duly registered with the German Federal Financial Supervisory Authority, the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin). The representative agent of the Fund in Germany is Société Générale (Dejan Djurdjevi - Tel.: +49 (0) 69 7174 497).

For Prospective Investors Domiciled in Luxembourg:

The Company's address in Luxembourg is 6, route de Trève, L-2633 Senningerberg, Grand Duchy of Luxembourg (Tel.: +1-800-625-5759).

For Prospective Investors Domiciled in the UK:

The Fund is duly registered with the UK Financial Conduct Authority.

Additional information regarding the Fund including investment positions is available upon request.