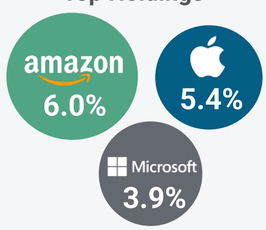
Diversifying in a Concentrated Market:
Four Compelling Reasons for Brandes U.S. Value Equity

Amid a highly overconcentrated U.S. market, the Brandes U.S. Value Equity Strategy offers a differentiated exposure to value stocks.

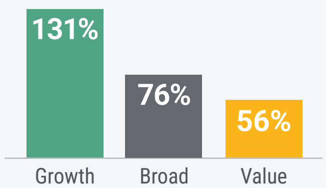
1. DIVERSIFIER: Our benchmark-agnostic approach results in portfolios that differ meaningfully from indexes, helping address concentration in a top-heavy U.S. market.

THE LINES BETWEEN GROWTH AND VALUE INDICES HAVE BLURRED; the top holdings of the Russell 1000 Value Index now include growth giants Amazon, Apple and Microsoft:

Russell 1000 Value Top Holdings



Semiconductors and Hardware Driving Global Returns



THREE LURKING RISKS OF A CONCENTRATED MARKET:

Idiosyncratic Impact
Increased single stock impact

Correlation
Higher correlation between Value and Broad Indices

Systemic Risk
Rising systemic risk

As of June 30, 2026 | Source: Russell. It is not possible to invest directly in an index.

TOP 10 HOLDINGS

Russell 1000	Russell 1000 Growth	Russell 1000 Value	Brandes U.S. Value Equity[1]
Nvidia	Nvidia	Amazon	Merck
Apple	Apple	Apple	Textron
Alphabet	Alphabet	Microsoft	Becton Dickinson
Microsoft	Broadcom	Berkshire Hathaway	Citigroup
Amazon	Microsoft	JPMorgan Chase	Cigna
Broadcom	Micron	Intel	Bank of America
Micron	Tesla	Johnson & Johnson	Alphabet
Meta Platforms	Meta Platforms	Exxon Mobil	PNC Financial
Tesla	Eli Lily	Cisco	Knight-Swift
Eli Lily	AMD	Walmart	ICON
34.9%	**57.2%**	**27.9%**	**23.4%**

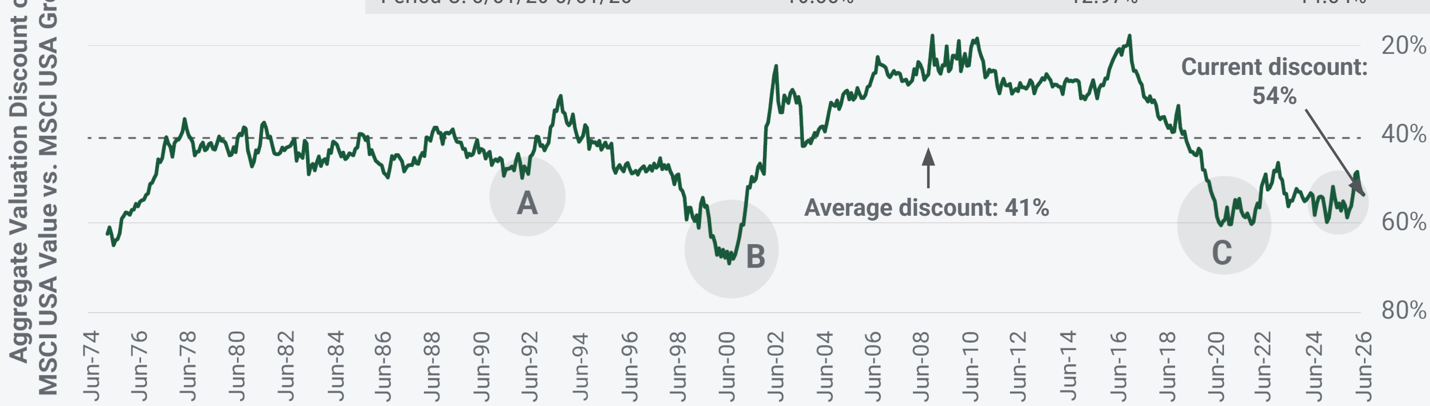
Overlaps with Other Index(es)   In the Benchmark/Index

As of June 30, 2026 | Source: Brandes, Russell via FactSet. The securities identified and described do not represent all the securities purchased, sold, or recommended for client accounts. Portfolio holdings are subject to change at any time.

2. LEVERAGE TO VALUE: As of 6/30/2026, U.S. value stocks traded at above-average discounts relative to growth, which historically preceded solid returns for value stocks and our strategy.

U.S. VALUE STOCKS RELATIVE VALUATION

5-Year return	Brandes U.S. Value Equity (net)	Russell 1000 Value Index	Russell 1000 Index
Period A: 12/31/91-12/31/96	18.25%	17.19%	15.22%
Period B: 6/30/00-6/30/05	13.90%	6.55%	-1.89%
Period C: 8/31/20-8/31/25	16.38%	12.97%	14.34%



As of June 30, 2026 | Source: Russell and MSCI via FactSet. All returns annualized. The hypothetical examples are for illustrative purposes only. They do not represent the performance of any specific investments. Actual results will vary. Past performance is not a guarantee of future results. For each fundamental ratio (P/B, P/E, P/CF, Forward P/E, EV/Sales, EV Value/EBITDA), we calculate the average ratio of the MSCI USA Value Index and divide it by the average ratio of the MSCI USA Growth Index to determine the relative valuation. Aggregate valuation discounted based upon the average of each individual metrics valuation discount of the value index relative to growth. It is not possible to invest directly in an index.

Composite Performance vs Benchmark	1 Year	5 Years	10 Years
Brandes U.S. Value Equity Composite (net)	19.44%	11.37%	12.81%
Russell 1000 Value Index	27.12%	11.17%	11.52%
Russell 1000 Index	22.02%	12.65%	15.29%

As of June 30, 2026 | Source: Brandes, Russell. Annualized total return – net of management fees. Returns include reinvestment of all dividends and are reduced by any applicable foreign withholding taxes, without provisions for income taxes, if any. It is not possible to invest directly in an index. Past performance is not a guarantee of future results. The 2026 returns are preliminary, unaudited, and subject to change.

3. FUNDAMENTALS: The strategy offers comparable long-term earnings growth potential as the broad Russell 1000 Index, while trading at more compelling valuations, in our opinion.

PORTFOLIO CHARACTERISTICS

	Brandes U.S. Value Equity[2]	Russell 1000 Value	Russell 1000
# of Securities	63	870	1,023
Forward Price/Earnings	13.3x	18.3x	22.2x
Price/Earnings	14.1x	21.8x	27.1x
Price/Cash Flow	10.1x	13.6x	18.9x
Price/Book	1.9x	4.9x	7.3x
Dividend Yield	2.2%	1.7%	1.1%
Net Debt to Equity (ex Financials)	53%	75%	56%
Net Debt to EBITDA (ex Financials)	1.7x	1.7x	0.8x
Consensus 3-5 Yr EPS Growth	10.3%	8.9%	9.6%

As of June 30, 2026 | Source: Brandes, Bloomberg, Russell, FactSet. Consensus 3-5 Yr EPS Growth based on long-term company growth estimates aggregated from FactSet. Price/Book, Price/Earnings, Price/Cash Flow and Dividend Yield for each security provided by Bloomberg, L.P. Please note that Bloomberg does not provide negative numbers in the data feed. Index fundamentals are calculated from holdings data as provided by the relevant index or by FactSet Fundamentals, excluding negative numbers for consistency. Thus, index fundamentals calculated by Brandes may differ from those computed and published by index providers. The declaration and payment of shareholder dividends are solely at the discretion of the issuer and are subject to change at any time.

4. DIVERSE RETURN DRIVERS: The strategy draws on multiple value drivers rather than a single dominant theme, supporting a more balanced mix of potential return sources.

WHERE BRANDES SEES VALUE DRIVERS

Defensive – Health Care

- Mostly in pharmaceuticals and services, but recent opportunities in other areas (e.g., tools, equipment)
- Short-term uncertainty around regulations, pipeline, and reimbursement
- Market seems to underappreciate durable cash flows, solid balance sheets, and long product life cycles

Interest Rates

- Exposure to large money center banks with scale advantage, robust balance sheets and capital levels, as well as franchise quality
- Holdings in select insurance firms with history of solid underwriting and pricing strategies

AI/Tech-Related

- Focus on idiosyncratic opportunities, rather than directional bets on entire sectors/segments
- Exposure to secondary beneficiaries of AI (e.g., semiconductor-related firms, utilities)
- Recent opportunities in areas perceived to be negatively affected by potential AI disruption (e.g., IT services, software)

Turnaround Potential

- Holdings in industries experiencing downcycle (e.g., transportation, machinery)
- Opportunities in select businesses affected by macroeconomic uncertainty (e.g., retailers, media)
- Companies undergoing restructuring

Brandes U.S. Value Equity[3] – Top 4 Sector Weightings	Portfolio	Russell 1000 Value	Russell 1000
Information Technology	7%	19%	36%
Financials	22%	19%	12%
Industrials	16%	11%	10%
Health Care	26%	13%	9%

As of June 30, 2026 | Source: Brandes, Russell.

[1, 2, 3] The portfolio characteristics shown relate to a single account as of date noted, deemed by Brandes to be generally representative of its standard account noted. Not every account will have these exact characteristics.

For term definitions, please refer to https://www.brandes.com/termdefinitions.

The Russell 1000 Index with gross dividends measures performance of the large cap segment of the U.S. equity universe.

The Russell 1000 Value Index with gross dividends measures performance of the large cap segment of the U.S. equity universe. Securities are categorized as growth or value based on their relative book-to-price ratios, historical sales growth, and expected earnings growth.

The MSCI USA Value Index captures large and mid cap U.S. securities exhibiting overall value style characteristics, defined using book value to price, 12-month forward earnings to price, and dividend yield.

The MSCI USA Growth Index captures large and mid cap U.S. securities exhibiting overall growth style characteristics, defined using long-term forward earnings per share (EPS) growth rate, short-term forward EPS growth rate, current internal growth rate, long-term historical EPS growth trend, and long-term historical sales per share growth trend.

MSCI has not approved, reviewed or produced this report, makes no express or implied warranties or representations and is not liable whatsoever for any data in the report. You may not redistribute the MSCI data or use it as a basis for other indices or investment products.

Diversification does not assure a profit or protect against loss in a declining market.

The information provided is for informational purposes only and should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any security transactions, holdings, or sectors discussed were or will be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance discussed herein. The securities identified and described do not represent all the securities purchased, sold, or recommended for client accounts. Portfolio holdings are subject to change at any time. Strategies discussed are subject to change at any time by the investment manager in its discretion due to market conditions or opportunities. Market conditions may impact performance. The performance results presented were achieved in particular market conditions which may not be repeated. Moreover, the current market volatility and uncertain regulatory environment may have a negative impact on future performance. Investments in U.S. issuers may be susceptible to economic, political, regulatory or other events or conditions affecting issuers within the United States. The Brandes investment approach tends to result in portfolios that are materially different than their benchmarks with regard to characteristics such as risk, volatility, diversification, and concentration. All investments carry a certain degree of risk including the possible loss of principal.

The foregoing reflects the thoughts and opinions of Brandes Investment Partners® exclusively and is subject to change without notice. Brandes Investment Partners® is a registered trademark of Brandes Investment Partners, L.P. in the United States and Canada.

United States: Issued by Brandes Investment Partners, L.P., 4275 Executive Square, 5th Floor, La Jolla, CA 92037.

Singapore/Asia: FOR INSTITUTIONAL/ACCREDITED INVESTOR USE ONLY. Issued by Brandes Investment Partners (Asia) Pte Ltd., The Gateway West, 150 Beach Road, #35-51, Singapore 189720. Company Registration Number 201212812M. ARBN:164 952 710. This document is for "institutional investors" or "accredited investors" as defined under the Securities and Futures Act, Chapter 289 of Singapore and may not be distributed to any other person. This document is being provided for information purposes only. Incorporated in Singapore in 2012, Brandes Investment Partners (Asia) Pte Ltd (Brandes Asia) provides portfolio management services to clients in Asia (as permitted under local law). Brandes Investment Partners, L.P., a U.S. registered investment adviser and a sister entity to Brandes Asia, provides research, portfolio construction and other support to Brandes Asia.

Ireland/Europe: FOR PROFESSIONAL INVESTOR USE ONLY. Issued by Brandes Investment Partners (Europe) Limited (Brandes Europe), Alexandra House, The Sweepstakes, Ballsbridge, Dublin, D04 C7H2, Ireland. Registered in Ireland Number 510203. Authorised and regulated by the Central Bank of Ireland. This report is being provided for information purposes only, no representation or warranty is made, whether express or implied as to the accuracy or completeness of the information provided. To the fullest extent permitted by law Brandes Europe shall not be liable for any loss or damage suffered by any person as a result of the receipt of this report. Recipients of this report should obtain their own professional advice. The distribution of this report may be restricted by law. No action has been or will be taken by Brandes Europe to permit the possession or distribution of this report in any jurisdiction where action for that purpose may be required. Accordingly, this report may not be used in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons to whom this report is communicated should inform themselves about and observe any such restrictions. This information is being issued only to, and/or is directed only at (i) persons who have professional experience in matters relating to investments or (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or to whom it may otherwise lawfully be communicated (all such persons together being referred to as "Relevant Persons"). This communication must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. This report is a confidential communication to, and solely for the use of, the persons to whom it is distributed to by Brandes Europe.

Canada: FOR INSTITUTIONAL INVESTORS AND REGISTERED DEALERS AND THEIR REGISTERED SALESPERSONS' USE ONLY. NOT FOR DISTRIBUTION TO INVESTORS. Distributed by Brandes Investment Partners & Co., 6 Adelaide Street East, Suite 900, Toronto, ON, M5C 1H6. This communication is for information purposes only and should not be regarded as a sales communication or as advice regarding any financial product or services.