

Brandes Investment Partners

Global Opportunities Value Strategy Notes

Fourth Quarter 2025 (October 1 – December 31, 2025)

The Brandes Global Opportunities Value Strategy rose 5.42% net of fees and 5.47% gross of fees, outperforming its benchmark, the MSCI ACWI Index, which was up 3.29% in the quarter.

Annualized total return as of December 31, 2025	1-year	5-year	10-year
Brandes Global Opportunities Value Composite (net)	38.99%	16.19%	10.57%
Brandes Global Opportunities Value Composite (gross)	39.72%	17.10%	11.51%
MSCI ACWI Index	22.34%	11.19%	11.71%

Past performance is not a guarantee of future results. One cannot invest directly in an index. Returns include reinvestment of all dividends and are reduced by any applicable foreign withholding taxes, without provisions for income taxes, if any.

Positive Contributors

Top performers included holdings in emerging markets, led by South Korean Samsung Electronics and Hankook Tire & Technology, Taiwan Semiconductor Manufacturing Company (TSMC), and Slovenian Nova Ljubljanska banka.

A convergence of structural demand drivers in artificial intelligence (AI) and regional market dynamics boosted the shares of Samsung and TSMC. Meanwhile, Hankook Tire & Technology announced strong third-quarter results that exceeded consensus estimates. The company successfully mitigated tariff headwinds through price hikes and benefited from volume growth and a healthy product mix.

Underweight position and select holdings in the U.S. also lifted returns. Machinery firm Kennametal did well, along with energy companies Innovex International and Halliburton, logistics business FedEx, and Elanco Animal Health.

Additionally, our overweights to the U.K. and the health care sector aided returns relative to the benchmark.

Performance Detractors

The largest detractor for the quarter was Fiserv, a U.S. financial technology firm that was added in the quarter.

Fiserv declined significantly after lowering its growth and margin outlook. The market reacted negatively to its revised guidance and restructuring, as well as the unexpected impact of its Argentinian operations, which had inflated prior reported growth figures. While the company's short-term results may be challenged as it invests in a turnaround, we believe Fiserv's core business should continue to benefit from long-term secular growth in digital payments. Fiserv's current market valuation reflects a highly pessimistic view of the company. We see opportunities for recovery over time through operating improvements, but the turnaround will take patience. At its current valuation, we believe Fiserv warrants an allocation in the portfolio.

China's Alibaba also weighed on performance, giving back some of its earlier gains amid continued weak consumer demand in China. We believe Alibaba's scale and ecosystem remain compelling for long-term growth.

Other detractors included technology holdings Netgear and Arlo Technologies in the U.S. and PAX Global Technology in Hong Kong, as well as Spanish insurer Linea Directa Aseguradora.

Portfolio Activity

The investment committee initiated positions in the aforementioned Fiserv and U.K.-based paper and forest products company Mondi.

Mondi is a leading European producer of corrugated packaging, containerboard, kraft paper, and uncoated fine paper. With a strong presence in Eastern and Western Europe and a vertically integrated model from pulp to finished products,

Mondi enjoys cost advantages and scale benefits. It is the number one virgin containerboard producer in Europe and the global leader in kraft paper, supplying essential packaging solutions for industries ranging from e-commerce to construction.

Currently, Mondi is out of favor due to a prolonged downturn in the European containerboard market, driven by oversupply and weak demand since 2022. Margins have been pressured by inflation in non-fiber input costs and an influx of new capacity, leaving much of the industry operating below breakeven. This cyclical weakness has weighed on profitability and led to a more leveraged balance sheet following Mondi's recent investment program and mergers and acquisitions activity.

Despite these near-term challenges, Mondi offers an attractive long-term opportunity. Secular trends such as sustainability, convenience, and the shift from plastic to paper underpin steady growth in fiber-based packaging. Mondi's cost leadership, strong positioning in the high-barrier-to-entry kraft paper market, and integrated operations provide resilience and competitive advantage, in our opinion. The company's completed investment program is expected to increase profits over the next few years, while its expanded converting capacity enhances downstream integration. As industry capacity rationalizes and demand normalizes, Mondi could be poised for margin recovery and free-cash-flow inflection. For patient investors like us, Mondi represents a well-positioned leader in sustainable packaging with meaningful upside potential.

Besides the new buys, other portfolio activity included the full sells of Mexico's Cemex, French construction materials firm Vicat, and U.S.-based Equity Commonwealth, as well as U.K.-based bank NatWest Group and ad agency WPP.

Year-to-Date Briefing

The Brandes Global Opportunities Value Strategy rose 38.99% net of fees and 39.72% gross of fees, outperforming its benchmark, the MSCI ACWI Index, which increased 22.34% in 2025.

Although the outperformance of value stocks (MSCI EAFE Value vs. MSCI EAFE) provided a favorable backdrop for our value-oriented strategy, it was our stock selection across various sectors and countries that mostly drove outperformance relative to the benchmark.

Leading contributors included holdings in consumer discretionary (e.g., Alibaba, Hankook Tire & Technology, Kering), financials (e.g., Erste Group, Nova Ljubljanska banka), health care (e.g., Elanco Animal Health, GSK, Draegerwerk), and industrials (e.g., Embraer, Rolls-Royce, Mitie Group). Communication services firms Millicom International Cellular and Magyar Telekom also increased meaningfully, as did Samsung Electronics and Mexican real estate investment trust Fibra Uno. Geographically, the portfolio benefited the most from exposure to emerging markets and the United Kingdom, and an underweight to the United States.

The largest detractors from relative returns were our underweight to information technology and overweight to consumer staples. At the holding level, notable detractors included media firms WPP (U.K.) and Comcast (U.S.), as well as U.S.-based Edgewell Personal Care and Fiserv.

Current Positioning

The strategy holds overweight positions in consumer staples and health care, while retaining a significant underweight to technology. Additionally, we have pared our allocation to strong performing financials holdings, leading to larger underweight position at year end. Geographically, it maintains overweights to emerging markets and the United Kingdom, while remaining underweight the U.S., which accounts for approximately 64% of the benchmark.

We believe the differences between our portfolio and the MSCI ACWI Index make it an appealing complement to index-tracking or passively managed strategies. Going forward, we remain optimistic about the portfolio holdings composition and the risk/reward tradeoff it offers.

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

For index definitions, please refer to <https://www.brandes.com/benchmark-definitions>.

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.

The foregoing Quarterly Commentary reflects the thoughts and opinions of Brandes Investment Partners® exclusively and is subject to change without notice. The information provided in the commentary 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. International and emerging markets investing is subject to certain risks such as currency fluctuation and social and political changes; such risks may result in greater share price volatility. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that the securities sold have not been repurchased. The actual characteristics with respect to any particular account will vary based on a number of factors including but not limited to: (i) the size of the account; (ii) investment restrictions applicable to the account, if any; and (iii) market exigencies at the time of investment. Securities of small companies generally experience more volatility than mid and large sized companies. Although the statements of fact and data in this report have been obtained from, and are based upon, sources that are believed to be reliable, we cannot guarantee their accuracy, and any such information may be incomplete or condensed. Strategies discussed are subject to change at any time by the investment manager in its discretion due to market conditions or opportunities. 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. Please note that all indices are unmanaged and are not available for direct investment. Past performance is not a guarantee of future results. No investment strategy can assure a profit or protect against loss. 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. The margin of safety for any security is defined as the discount of its market price to what the firm believes is the intrinsic value of that security. The declaration and payment of shareholder dividends are solely at the discretion of the issuer and are subject to change at any time.

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.

Canada: FOR 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.