

# Brandes U.S. Value Fund

A sub-fund of Brandes Investment Funds Plc

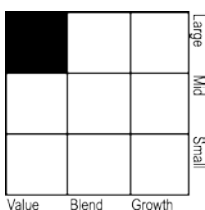
## FUND OBJECTIVE

Long-term capital appreciation by investing in equity and equity related securities of U.S. issuers whose equity market capitalizations exceed \$5 billion at the time of purchase.

## FUND INFORMATION

Total Net Asset Value (mil.)	\$129.3
Legal Structure	UCITS
Investment Manager	Brandes Investment Partners (Europe) Limited
Trade Frequency	Daily
Dealing Cutoff	16:00 New York Time
Registered	AT, CH, DE, ES, FR, IE, LUX, NL, UK
Management Fee	0.70%

## MORNINGSTAR STYLE BOX™



The Morningstar Style Box™ reveals a fund's investment strategy by showing its investment style and market capitalization based on the fund's portfolio holdings.

In the fourth quarter, the Brandes U.S. Value Fund (the "Fund") Class A USD rose 7.14%, underperforming the S&P 500 Index, which appreciated 9.07%.

## Positive Contributors

The Fund's leading contributors included a variety of financial holdings, led by **State Street, Bank of America** and **Citigroup**. Bank of America and Citigroup both reported improving earnings despite the decrease in interest rates during the year.

Two positions that we added to the Fund's portfolio over the last year, namely oil field services provider **Halliburton** and insurer **Cigna**, also performed well. Cigna announced stronger earnings and raised its annual profit guidance ahead of sell-side expectations.

Similarly, semiconductor equipment manufacturer **Applied Materials** rose as it benefited from solid earnings and as investors increasingly recognised the cyclical improvement and structural tailwinds in its market.

## Performance Detractors

The Fund's holdings and underweight in technology weighed on relative returns. Technology companies represented the strongest-performing sector within the S&P 500 Index in the quarter, appreciating double digits overall and accounting for nearly a quarter of the index weighting as of 31 December. While the Fund's holdings in Applied Materials, **Flex** and **Microsoft** performed well, its positions in **Avnet**, **Oracle** and **Cisco** fell slightly. We added to the Fund's position in Cisco as its short-term earnings weakness, which was driven by a slowdown in global trade, made the company even more attractive to us from a margin-of-safety standpoint.

Homebuilders **Taylor Morrison Home** and **MDC Holdings** gave back some of their strong performance from the first nine months of the year. Other detractors included insurer **AIG**, clinical laboratory operator **LabCorp** and telecommunications firm **Comcast**, which were flat to slightly down in a strongly performing U.S. market.

## Select Activity in the Quarter

We initiated a position on behalf of the Fund in **Ingredion**, a leading ingredients provider that is moving increasingly into specialty products, and **Westlake Chemical**, a petrochemical manufacturing company. The U.S.-China trade war has negatively affected the profitability of both companies, sending their share prices down over the last 18 months and making them potentially attractive opportunities for investors with a longer-term time horizon.

With its growing exposure to specialty ingredients (e.g., plant-based proteins, sugar alternatives), Ingredion is well positioned to benefit from consumer trends in health and wellness, in our opinion. The stock has declined over a third since the beginning of 2018 as the company lowered guidance several times due to a variety of issues, many of which we believe to be temporary in nature. These included the impact of the trade war, the closure of a mill in order to improve its cost structure and power outages in its manufacturing facilities. Additionally, we feel the market has been overly focused on Ingredion's high-fructose corn syrup, which has seen declining demand in the United States but now only contributes about 15% of the company's profits.

On the positive side, the company's specialty ingredients segment, which offers nearly double the profit margin of the rest of the business, now accounts for half of its profit and has been growing at a healthy rate. We also appreciate Ingredion's strong international presence and its historically appealing free-cash-flow generation and returns on capital. We believe the market is overly concerned with the transitory issues and underappreciates the positive mix-shift taking place at the company, with the resulting low-teens earnings multiple providing an opportunity for us to initiate a position.

Similar to Ingredient, Westlake Chemical has also suffered from the ramifications of the trade war as some of its products (e.g., vinyl, polyethylene) are exported to China. However, the company's competitive position in a consolidating market, its solid balance sheet and the growing demand for its products in emerging markets make Westlake a compelling investment to us at its current valuation.

## 2019 Briefing

The Brandes U.S. Value Fund Class A USD rose 21.07%, underperforming the S&P 500 Index, which appreciated 31.49% for the year ended 31 December 2019.

The Fund's solid absolute return fell short of what was one of the S&P 500 Index's strongest annual performances in the last 20 years. The most significant driver of the Fund's underperformance was its underweight to the technology sector, which was up over 50% (the best-performing sector in the index), and its overweight to the health care sector, which was up "just" over 20% (the second worst-performing sector in the index after energy). The Fund's holdings in these sectors also slightly underperformed those within the S&P 500 Index, with its technology holdings gaining 33% and its health care positions up 17%.

On an absolute basis, only a few of the Fund's holdings declined, including **Briggs & Stratton** and **Pfizer**, as well as **FedEx**, which we purchased on behalf of the Fund during the year. Meanwhile, the Fund's holdings in **Bank of New York Mellon**, **Omnicom** and **Cognizant** increased, but appreciated less than the overall market (S&P 500 Index), thus hurting relative return.

The most significant contributors included the Fund's holding in **World Fuel Services**, a fuel distributor and trader that rose over 100%, and technology stocks Flex and Applied Materials, both of which were up over 65%. Additionally, the Fund's holdings in the money center banks Citigroup and Bank of America appreciated about 50%. Other strong performers included homebuilders MDC Holdings and Taylor Morrison.

## Current Positioning

Being a value manager has proved to be challenging over the past decade as U.S. value stocks have significantly lagged their growth counterparts (MSCI USA Value Index vs. MSCI USA Growth Index). This trend was even amplified in 2019 as large technology companies (an area in which the Fund maintains a significant underweight vs. the S&P 500 Index) drove the strong market performance. Apple saw its shares appreciate over 85% for the year, while Microsoft and Facebook gained over 55% each. Together, these three companies added well over \$1 trillion in market capitalisation in 2019.

To better understand the return discrepancy between value and growth stocks, we analysed their return attributions and found some interesting observations when comparing the trend for the past decade with that for a longer history of 40 years (ended 31 December 2019).

Over the last 10 years, the value index had higher dividends and lower earnings growth than the growth index. This is consistent with

what we saw for the last 40 years. When we looked at the price-to-earnings (P/E) multiple of both indices, however, we found that it has been stagnant for the value index for the past decade, while it has expanded for the growth index. This is a contrast to the 40-year period, in which the value index has experienced a P/E expansion that has overwhelmed its slower earnings growth, while the growth index has seen a P/E contraction despite its stronger earnings growth. This unusual divergence in P/E multiples between the value and growth indices for the past decade contributed to the majority of their return difference (MSCI USA Value Index underperformed MSCI USA Growth Index by over 300 basis points annually for the 10 years ended 31 December 2019).

At year end, value stocks traded near their all-time high discount relative to the market (MSCI USA Index) based on various multiples (e.g., price-to-earnings, price-to-book, etc.). Historically, greater valuation discounts have correlated with strong prospective relative performance. If the trend for value stocks were to improve, we believe the Fund is well positioned given our value process and philosophy, as well as our historical tendency to do even better than the S&P 500's value index whenever that index outperformed the S&P 500 Index.

Additionally, as passive investing has become more and more popular, the Fund can potentially be a great complement to investors' passive exposure. Passively managed strategies tend to be more growth- or momentum-oriented (in other words, "anti-value"), and we believe our active, value-focused strategy can provide diversification for investors with predominantly passive exposure.

As of 31 December, the Fund traded at lower valuations than the S&P 500 Index, while offering a higher dividend yield and strong potential earnings growth over the next few years, based on our analysis. The Fund held its largest overweight positions in two main areas: the more economically sensitive financials sector and the more defensive health care sector. Meanwhile, it maintained its most significant underweight positions in technology, consumer staples and consumer discretionary.

Even though technology companies made up the Fund's third-largest weighting after financials and health care, it remained significantly underweight the S&P 500 Index's weighting, which represented that index's largest allocation as of 31 December. With the exception of select companies, we believe the share prices of many technology firms within the S&P 500 Index reflect significant optimism that increases the risk of an investment at today's valuation levels. Interestingly, after the strong performance of the technology sector and the rebalancing of the Russell style indices midyear, the technology sector only accounted for 6% of the Russell 1000 Value Index at year end vs. over 9% at the beginning of the year. As such, the Fund's allocation of approximately 14% to the technology sector now represents a larger overweight relative to the Russell 1000 Value Index (compared to prior to the index's rebalancing).

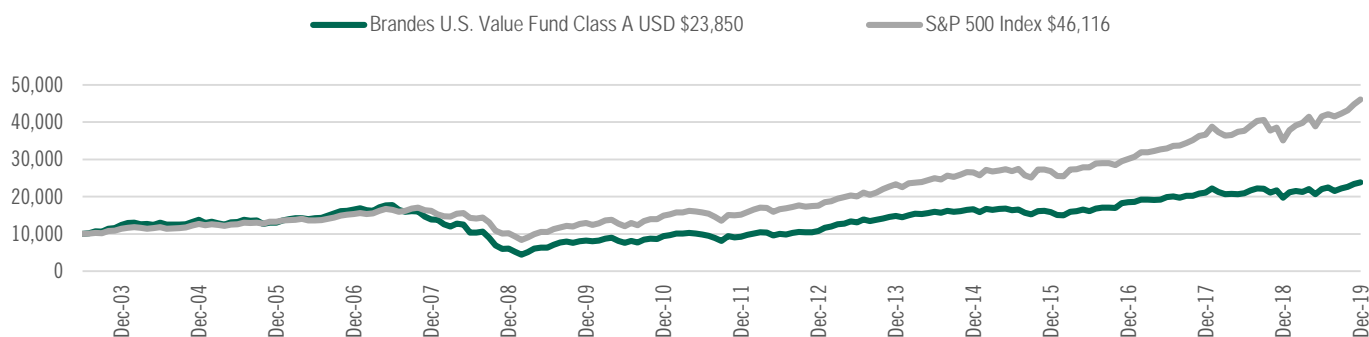
We remain committed to holding value portfolios for our clients/shareholders in all market conditions, and appreciate the trust you have placed in us.

Performance (%)<sup>1</sup>

	NAV	1 mo	3 mo	YTD	1 yr	3 yr	5 yr	10 yr	Since Inception		Inception Date
									Fund	Index	
Class I USD	\$ 16.13	1.83	7.39	21.92	21.92	9.52	8.23	--	8.73	12.41	16/4/2014
Class A USD	\$ 23.85	1.75	7.14	21.07	21.07	8.76	7.48	11.29	5.42	9.73	17/7/2003
S&P 500 Index USD		3.02	9.07	31.49	31.49	15.27	11.70	13.56			
Class I EUR	€ 32.03	0.00	4.30	24.49	24.49	7.04	9.64	--	14.14	16.49	16/3/2011
Class A EUR	€ 23.35	-0.04	4.15	23.61	23.61	6.28	8.92	13.94	5.28	9.70	17/7/2003
S&P 500 Index EUR		1.19	5.93	33.91	33.91	12.90	13.39	16.38			
Class A GBP	£ 23.88	-0.71	-0.71	16.32	16.32	6.27	11.11	13.48	6.28	12.95	21/9/2005
S&P 500 Index GBP		0.65	1.59	29.30	29.30	13.89	16.97	17.45			

Calendar Year Returns (%)<sup>1</sup>

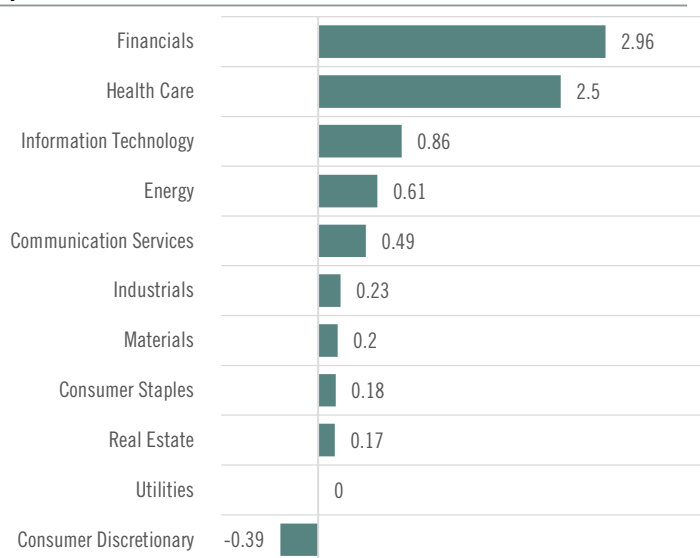
	2013	2014	2015	2016	2017	2018	2019
Class A USD	36.97	12.21	-4.57	16.82	13.70	-6.55	21.07
S&P 500 Index USD	32.39	13.69	1.38	11.96	21.83	-4.38	31.49

Growth of \$10,000 Since Inception<sup>1</sup>

Past performance may not be a reliable guide to future performance. Periods of greater than one year have been annualized. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units. Changes in exchange rates may have an adverse effect on the value price or income of the product. It is not possible to invest directly in an index.

Relative Quarterly Impact (%)<sup>2</sup>

## By Sector



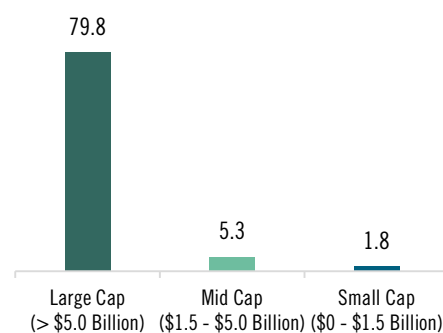
<sup>1</sup>Source: Brandes, S&P. <sup>2</sup>Source: FactSet. FactSet data is holdings-based. Price, weights, foreign exchange rates, and returns shown may differ slightly from those of the Fund. Allocations and performance data as of 31/12/2019. Holdings are subject to change at any time and should not be considered a recommendation to buy or sell particular securities. Current and future fund holdings are subject to risk. Past performance is not a guarantee of future results. Changes in exchange rates may have an adverse effect on the value price or income of the product.

Top 10 Holdings<sup>1</sup>

Company	%
Citigroup Inc.	3.54
Merck & Co.	3.38
Comcast Corp CL A	3.07
McKesson Corporation	2.88
Wells Fargo & Company	2.85
LABORATORY CP AMER HLDGS	2.80
Bank of America Corp.	2.79
Pfizer Inc.	2.51
Omnicom Group Inc	2.51
Amdocs Ltd.	2.49

Characteristics<sup>1</sup>

	Fund
Price/Book	1.9x
Price/Earnings	15.1x
Price/Cash Flow	10.3x
Equity Yield (%)	2.2
Active Share (%)	82.6
Number of Holdings	52
Avg. Market Cap (billions)	\$135.2
Security Turnover (TTM, %)	46.4
Cash (%)	10.0

Capitalization Summary (%)<sup>1</sup>Best Performing Stocks<sup>2</sup>

## Top 5 – Last Quarter

Security	Allocation (%)	Return (%)	Impact (%)	Industry
Bank of America Corp	2.8	21.4	0.6	Banks
State Street Corporation	2.0	34.5	0.6	Capital Markets
Cigna Corporation	2.2	34.7	0.6	Health Care Providers & Services
Citigroup Inc.	3.5	16.4	0.5	Banks
Halliburton Company	1.7	30.9	0.4	Energy Equipment & Services

Worst Performing Stocks<sup>2</sup>

## Bottom 5 – Last Quarter

Security	Allocation (%)	Return (%)	Impact (%)	Industry
Taylor Morrison Home Corporation	1.9	-15.7	-0.3	Household Durables
American International Group, Inc.	2.0	-7.3	-0.2	Insurance
Avnet, Inc.	1.7	-4.1	-0.1	Electronic Equipment Instruments & Components
Johnson Controls International plc	1.0	-6.6	-0.1	Building Products
Old Republic International Corporation	1.4	-4.2	-0.1	Insurance

Portfolio Changes Trailing Twelve Months<sup>1</sup>

Period	Complete Sales ■ Industry	Period	New Buys ■ Industry
Q4 2019	No Complete Sales	Q4 2019	Ingredion Inc ■ US ■ Food Products Westlake Chemical Corp ■ US ■ Chemicals
Q3 2019	Apache Corporation ■ Oil, Gas & Consum. Fuels	Q3 2019	No New Buys
Q2 2019	Fifth Third Bancorp ■ Banks The Walt Disney Co. ■ Entertainment	Q2 2019	No New Buys
Q1 2019	Fabrinet ■ Elec. Equip., Instr. & Comp. Procter & Gamble Co ■ Household Products	Q1 2019	FedEx Corp ■ Air Freight & Logistics Fox Corporation ■ Media Halliburton Co. ■ Energy Equip. & Svcs.

<sup>1</sup>Source: Brandes, FactSet, S&P. <sup>2</sup>Source: FactSet. FactSet data is holdings-based. Price, weights, foreign exchange rates, and returns shown may differ slightly from those of the Fund. Allocations and performance data as of 31/12/2019. Holdings are subject to change at any time and should not be considered a recommendation to buy or sell particular securities. Current and future fund holdings are subject to risk. Past performance is not a guarantee of future results. Changes in exchange rates may have an adverse effect on the value price or income of the product.

Top 15 Industry Allocation (%)<sup>1</sup>

Industry	Fund	Index
Banks	16.2	5.6
Health Care Providers & Svcs.	13.1	2.9
Pharmaceuticals	7.4	4.6
Media	6.7	1.4
Capital Markets	5.7	2.7
IT Services	4.5	5.4
Insurance	4.3	2.3
Elec. Equip., Instr. & Comp.	3.2	0.6
Software	2.8	7.1
Household Durables	2.6	0.4
Biotechnology	2.5	2.0
Oil, Gas & Consum. Fuels	2.3	3.9
Interactive Media & Services	2.3	4.9
Energy Equip. & Svcs.	1.7	0.4
Electrical Equipment	1.7	0.5

Top 15 Index Industries not in the Fund (%)<sup>1</sup>

Industry	Index
Tech Hardware, Storage & Periph.	5.0
Health Care Equip. & Supp.	3.6
Internet & DM Retail	3.4
Equity REITs	2.8
Aerospace & Defense	2.4
Specialty Retail	2.2
Diversified Telecom Svcs.	2.1
Electric Utilities	2.0
Entertainment	1.9
Hotels Rest. & Leisure	1.9
Household Products	1.7
Food & Staples Retailing	1.5
Industrial Conglomerates	1.4
Multi-Utilities	1.1
Life Sciences Tools & Svcs.	1.0

**26**

Total number of industries in the fund

**38**

Total number of S&amp;P 500 Index industries not in the fund

No exposure to industries that represent  
**40.1% of the index**Industry Changes Trailing Twelve Months (%)<sup>1</sup>

Largest Increases	Dec-18	Dec-19	Change
Health Care Providers & Services	11.2	13.1	1.9
Air Freight & Logistics	--	1.7	1.7
Energy Equipment & Services	--	1.7	1.7
Media	5.4	6.7	1.3

Largest Decreases	Dec-18	Dec-19	Change
Entertainment	2.7	--	-2.7
Pharmaceuticals	9.7	7.4	-2.3
Oil, Gas & Consumable Fuels	3.8	2.3	-1.5
Household Products	1.3	--	-1.3

Industry Return Impact (%)<sup>2</sup>

		Allocation		Return		Return Impact			
		Fund	Index	Fund	Index	Fund	Index	Rel. Impact	
Last Quarter	Top 5	Banks	16.2	5.6	13.0	15.3	2.1	0.8	1.2
		Health Care Providers & Services	13.1	2.9	11.2	26.6	1.4	0.7	0.7
		Capital Markets	5.7	2.7	17.1	10.7	0.9	0.3	0.6
		Pharmaceuticals	7.4	4.6	10.2	13.0	0.7	0.6	0.2
		Energy Equipment & Services	1.7	0.4	30.9	16.8	0.4	0.1	0.4
	Bottom 5	Household Durables	2.6	0.4	-14.2	4.8	-0.4	0.0	-0.4
		Insurance	4.3	2.3	-4.3	1.3	-0.2	0.0	-0.2
		Building Products	1.0	0.3	-6.6	4.3	-0.1	0.0	-0.1
		Road & Rail	1.4	1.0	-3.5	9.7	-0.1	0.1	-0.2
		Household Products	0.0	1.7	-0.9	-0.5	0.0	0.0	0.0
Trailing Twelve Months	Top 5	Banks	16.2	5.6	38.7	40.6	5.7	2.2	3.5
		Health Care Providers & Services	13.1	2.9	24.6	19.2	2.9	0.5	2.4
		Household Durables	2.6	0.4	43.1	40.6	1.9	0.1	1.7
		Oil, Gas & Consumable Fuels	2.3	3.9	50.0	12.0	1.8	0.7	1.1
		Media	6.7	1.4	20.4	34.6	1.4	0.5	0.9
	Bottom 5	Machinery	0.7	1.6	-46.9	30.2	-0.8	0.5	-1.3
		Air Freight & Logistics	1.7	0.5	-14.9	12.2	-0.2	0.1	-0.3
		Energy Equipment & Services	1.7	0.4	-8.6	10.2	0.0	0.1	-0.1
		Entertainment	0.0	1.8	6.0	27.6	0.1	0.6	-0.5
		Communications Equipment	1.1	1.0	13.8	13.4	0.1	0.2	-0.1

<sup>1</sup>Source: Brandes, S&P. <sup>2</sup>Source: FactSet. FactSet data is holdings-based. Price, weights, foreign exchange rates, and returns shown may differ slightly from those of the Fund. Allocations and performance data as of 3/1/2019. Holdings are subject to change at any time and should not be considered a recommendation to buy or sell particular securities. Current and future fund holdings are subject to risk. Past performance is not a guarantee of future results. Changes in exchange rates may have an adverse effect on the value price or income of the product. The referenced index is the S&P 500 Index.

Sector Allocation (%)<sup>1</sup>

Financials	27.6
Health Care	23.0
Information Technology	13.1
Communication Services	8.9
Industrials	6.5
Energy	4.1
Consumer Discretionary	2.6
Consumer Staples	2.0
Materials	1.1
Real Estate	1.1
Utilities	0.0

Sector Changes Trailing Twelve Months (%)<sup>1</sup>

Largest Increases	Dec-18	Dec-19	Change
Materials	--	1.1	1.1
Industrials	5.8	6.5	0.7
Information Technology	12.7	13.1	0.4
Energy	3.8	4.1	0.3

Largest Decreases	Dec-18	Dec-19	Change
Communication Services	10.4	8.9	-1.5
Consumer Discretionary	3.3	2.6	-0.7
Health Care	23.6	23.0	-0.6
Consumer Staples	2.2	2.0	-0.2

Sector Return Impact (%)<sup>2</sup>

	Allocation		Return		Return Impact			
	Fund	Index	Fund	Index	Fund	Index	Rel. Impact	
Last Quarter	Financials	27.6	13.0	10.9	10.5	3.0	1.4	1.6
	Health Care	23.0	14.2	11.1	14.4	2.5	2.0	0.5
	Information Technology	13.1	23.2	6.8	14.4	0.9	3.2	-2.3
	Energy	4.1	4.4	14.2	5.5	0.6	0.2	0.4
	Communication Services	8.9	10.3	5.7	9.0	0.5	1.0	-0.5
	Industrials	6.5	9.0	3.1	5.5	0.2	0.5	-0.3
	Materials	1.1	2.7	20.1	6.4	0.2	0.2	0.0
	Consumer Staples	2.0	7.2	9.5	3.5	0.2	0.3	-0.1
	Real Estate	1.1	2.9	15.8	-0.5	0.2	0.0	0.2
	Utilities	0.0	3.3	0.0	0.8	0.0	0.0	0.0
	Consumer Discretionary	2.6	9.8	-14.2	4.4	-0.4	0.4	-0.8
	Trailing Twelve Months	Financials	27.6	13.0	32.9	32.1	8.5	4.2
Health Care		23.0	14.2	17.8	20.8	4.0	3.0	1.0
Information Technology		13.1	23.2	32.3	50.3	3.9	9.8	-6.0
Communication Services		8.9	10.3	22.4	32.7	2.0	3.4	-1.3
Consumer Discretionary		2.6	9.8	43.1	27.8	1.9	2.9	-1.0
Energy		4.1	4.4	43.6	11.9	1.7	0.7	1.0
Consumer Staples		2.0	7.2	41.5	27.6	0.6	2.1	-1.5
Real Estate		1.1	2.9	50.6	29.0	0.5	0.9	-0.5
Materials		1.1	2.7	20.1	25.4	0.2	0.7	-0.5
Industrials		6.5	9.0	4.8	29.3	0.2	2.9	-2.7
Utilities		0.0	3.3	0.0	26.4	0.0	0.9	-0.9

<sup>1</sup>Source: Brandes, S&P. <sup>2</sup>Source: FactSet. FactSet data is holdings-based. Price, weights, foreign exchange rates, and returns shown may differ slightly from those of the Fund. Allocations and performance data as of 31/12/2019. Holdings are subject to change at any time and should not be considered a recommendation to buy or sell particular securities. Current and future fund holdings are subject to risk. Past performance is not a guarantee of future results. Changes in exchange rates may have an adverse effect on the value price or income of the product. The referenced index is the S&P 500 Index.

## Brandes at a Glance

### Brandes Investment Partners (Europe) Limited

Investment Manager

### Graham & Dodd, bottom-up value

Investment Style

### Dublin, Ireland

Office location

### Brandes Investment Partners L.P., San Diego, CA, USA

Headquarters

1974

Year Founded

\$23.9 Billion

Total Assets

211 / 43

Employees / Investment Professionals

100%

Employee Owned

## Fund Service Providers

### State Street Fund Services (Ireland) Limited

Administrator

### State Street Custodial Services (Ireland) Limited

Custodian

### State Street Fund Services (Ireland) Limited

Transfer Agent

### KPMG

Auditor

## Share Class Details

Share Class	ISIN	CUSIP	Sedol	Bloomberg	Valoren	WKN	Inception Date	Total Expense Ratio % <sup>1</sup>	Morningstar Rating™ Overall <sup>2</sup>
Class I USD	IE0031575495	G1309T170	3157549	BRUSIUS	1555606	260206	16/4/2014	0.98	★★★★
Class I EUR	IE0031575503	G1309T204	3157550	BRUSEIA	1555610	260207	16/3/2011	0.94	★★★
Class I GBP	IE0031575610	G1309T188	3157561	BRUSIGP	1555612	260220			
Class I1 USD	IE00BYWTP50	G1309T741	BYWTP5	BRNUI1U	37873322	A2DU24			
Class I1 GBP	IE00B1SHJN59	G1309T337	3021846	BRUS1G	2960112	A0MNJB			
Class A USD	IE0031575164	G1309T196	3157516	BRAUSAD	1555611	260201	17/7/2003	1.66	★★★★
Class A EUR	IE0031575271	G1309T212	3157527	BRANUSA	1555614	260202	17/7/2003	1.63	★★★★
Class A GBP	IE0031575388	G1309T279	3157538	BRUSEAG	1555615	260204	21/9/2005	1.64	★★★★
Class A1 USD	IE00BYWTYN37	G1309T691	BYWTYN3	BRNUA1U	37873322	A2DU24			
Class A1 GBP	IE00B1SHJR97	G1309T345	B1SHJR9	BRUSA1G	2960123	A0MNJC			
Class S USD	IE00BYWGLJ90	G1309T840	BYWGLJ9	BRANUSS	45421318	A2N879			
Class S EUR	IE00BYWGLK06	G1309T857	BYWGLK0	BRANEUS	45421345	A2N88A			
Class S GBP	IE00BYWGLL13	G1309T808	BYWGLL1	BRANGBS	45422367	A2N88B			

<sup>1</sup>Based on the actual expenses over the trailing twelve month period ended 31/12/2019. <sup>2</sup>Out of 424 U.S. Large-Cap Value Equity funds as of 31/12/2019.

Class I Shares will generally be offered to institutional investors only, as determined by the fund's directors in their absolute discretion. The minimum initial subscription applicable to Class I Shares is \$1 million or its equivalent in another currency, save for Class I Shares with a GBP denominated currency for which there is a minimum initial subscription of £10,000.

Class A Shares may be offered by appointed distributors only. The minimum initial subscription applicable to A Shares is \$10,000 or its equivalent in another currency. A distribution fee of up to 1% of the net asset value of the relevant Class A Shares shall be payable out of the assets of the share class to the distributors.

Class I1 and A1 Shares are distributing share classes. Distributions are paid on an annual basis with the record date being the last business day of the calendar year.



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The Fund documents may be obtained without cost by contacting the Administrator for the Fund, your Financial Representative, or at the offices of the paying agent or representative in each jurisdiction. Austria: Unicredit Bank Austria AG, Schottengasse 6-8, A1010 Vienna, Austria. France: Société Générale, 29 Boulevard Haussmann, 75009 Paris, France. Germany: GerFIS – German Fund Information Service UG (Haftungsbeschränkt), Zum Eichhagen 4, 21382 Brietlingen, Germany. Luxembourg: Société Générale Bank & Trust, 11 Avenue Emile Reuter, L-2420 Luxembourg. Spain: Allfunds Bank, S.A., Estafeta 6, la Moraleja, Complejo Plaza de la Fuente, Alcobendas, Madrid, Spain. Switzerland: Representative and Paying Agent: BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, CH-8002 Zurich, Switzerland. United Kingdom: Duff & Phelps, Ltd., 14th Floor, The Shard, 32 London Bridge Street, London, England SE1 9SG. All official documentation is also available at [www.brandes.com/ucits](http://www.brandes.com/ucits) and you may obtain updated information on the net asset value of the relevant shares at [www.fundinfo.com](http://www.fundinfo.com). This report may not be used in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The fund is not offered or sold to "U.S. Persons" as defined in Regulation S of the U.S. Securities Act of 1933. This report is reserved for professional clients as defined by the European Directive 2004/39/EC dated 21 April 2004 (MiFID) and is not for retail distribution. Brandes Investment Partners (Europe) Limited is regulated by the Central Bank of Ireland and is registered in Ireland at the below address. Registration number 510203.