Brandes Emerging Markets Value Fund

FUND INFORMATION

Class I:	BEMIX
Class A:	BEMAX
Class C:	BEMCX
Class R6:	BEMRX

STRATEGY

The Brandes Emerging Markets Value Fund seeks long term capital appreciation.

Performance data quoted represents past performance; past performance does not guarantee future results. 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. Current performance of the fund may be lower or higher than the performance quoted. All performance is historical and includes reinvestment of dividends and capital gains. Performance data current to the most recent month end may be obtained by calling 1.800.395.3807.

TOP TEN HOLDINGS

(% of assets as of 6/30/2026)

Taiwan Semiconductor Manufacturing Co Ltd	10.18
Samsung Electronics Co Ltd	9.12
SK Hynix Inc	4.10
Alibaba Group Holding Ltd	4.04
Millicom International Cellular SA	3.11
NetEase Inc	2.78
Copa Holdings SA	2.70
Wiwynn Corp	2.46
Bank of the Philippine Islands	2.44
Bank Rakyat Indonesia Persero Tbk PT	2.43

Fund holdings are subject to change at any time at the discretion of the investment manager.

The Brandes Emerging Markets Value Fund returned 13.84% (Class I Shares), underperforming its benchmark, the MSCI Emerging Markets Index, which returned 24.05% in the quarter, and the MSCI Emerging Markets Value Index, which gained 21.67%.

Positive Contributors

The technology sector was the primary driver of emerging markets equity returns (MSCI EM) in the quarter as enthusiasm surrounding AI fueled strong performance among semiconductors and technology hardware companies viewed as key beneficiaries of the massive hyperscale data center spending. Against this backdrop, several of the Fund's technology holdings were among the Fund's strongest contributors, including South Korean memory companies SK Hynix and Samsung Electronics, as well as Taiwanese AI server firm Wiwynn and semiconductor foundry Taiwan Semiconductor Manufacturing Company (TSMC).

Telecom holdings also performed well, led by Millicom International Cellular. Millicom, which operates entirely in Latin America, continued to improve margins in its core operations while enhancing profitability of newly acquired businesses in Uruguay and Ecuador. The company also further consolidated its Colombian operations, which we believe should help it strengthen free-cash-flow generation going forward.

Other notable contributors included Panamanian airline Copa Holdings, Chinese video game developer NetEase, and select bank holdings such as Panama's Bladex, Austria's Erste Group, and Georgia's TBC Bank.

Furthermore, the Fund's underweight positions in India and China aided returns relative to the benchmark.

Performance Detractors

While TSMC, SK Hynix, and Samsung were the Fund's strongest performers, the Fund's underweights to TSMC and SK Hynix were among the largest detractors from relative returns. For context, TSMC, SK Hynix, and Samsung accounted for 31% of the benchmark and generated more than 63% of its return during the quarter, reflecting the narrow concentration of market return leadership. Their outsized influence also largely explains the primary drivers of the Fund's underperformance from a sector and country perspective—namely the Fund's underweight to the technology sector overall, as well as the Fund's lower allocations to South Korea and Taiwan. Samsung and SK Hynix comprised more than two-thirds of the benchmark's South Korea exposure, while TSMC represented 55% of its Taiwan weight.

Implications of the war in Iran, specifically as it pertains to oil supply and energy prices, continued to weigh on holdings in the Philippines and Indonesia, both of which are net oil importers. Indonesian equities are significantly out of favor, pressured by currency weakness, government policy uncertainty, and the possibility of a reclassification to frontier-market status by MSCI, although the index provider postponed its review until November. Despite these concerns, we believe the underlying fundamentals of the Fund's holdings in both countries remain resilient.

As in the first quarter, businesses perceived to be vulnerable to potential AI disruption hurt performance, most notably IT services firm Globant and online travel platform Trip.com. Additionally, Chinese retailer Alibaba continued to face a challenging operating environment amid weak consumer demand and increasing capital expenditures, while Brazilian integrated oil company Petrobras gave back some of its strong first-quarter gains as oil prices declined.

Select Activity in the Quarter

The emerging markets investment committee initiated a position in Saudi National Bank. The committee exited positions in Brazilian retailer Sendas Distribuidora, and Hong Kong-based specialty retailer Luk Fook Holdings. Additionally, the committee reduced exposure to several technology holdings that performed exceptionally well in the quarter, including the full sell of Hong Kong-based semiconductor equipment company ASMPT.

Saudi National Bank (SNB) is the largest bank in Saudi Arabia by assets, loans, and deposits, with roughly 23% domestic market share in both loans and deposits. It was formed in 2021 through the merger of National Commercial Bank (NCB) and Samba Financial Group, combining NCB's retail strength with Samba's corporate and wholesale banking capabilities. Today, SNB operates as Saudi Arabia's national banking champion across retail banking, wholesale banking, capital markets, and international banking. Its largest shareholder is the Public Investment Fund, Saudi Arabia's sovereign wealth fund, which owns roughly 37% of the bank. This links SNB closely to Vision 2030, Saudi Arabia's long-term economic reform plan to diversify the economy away from oil by investing in infrastructure, housing, tourism, technology, sports, and private-sector development.

Investor concerns over government influence, the bank's losses related to its Credit Suisse investment in 2022, and integration challenges following the merger have weighed on SNB's valuation. However, we believe the market is overlooking the progress that SNB has made in the past few years and undervaluing its long-term potential, providing us with what we consider an attractive entry for investment.

Our investment thesis for SNB centers on its dominant franchise, improving execution, and a valuation that appears compelling relative to normalized earnings power. In our view, Saudi Arabia represents a structurally attractive and growing banking market, thanks to favorable demographics, government-led investment, rising homeownership, and efforts to expand the non-oil economy. Following a challenging post-merger integration period, management has improved asset quality, reduced exposure to weaker areas such as construction, and refocused growth toward mortgages, small/mid-sized enterprises, wholesale banking, and fee-generating businesses.

Financially, SNB benefits from scale, a strong low-cost deposit base, high digital adoption, disciplined expenses, and improved credit quality. Funding pressure remains a key watchpoint because Saudi Arabia's loan growth has outpaced its deposit growth, increasing reliance on more expensive wholesale funding. However, at the current share price, we believe the risk is more than accounted for and SNB represents an appealing value opportunity.

Year-to-Date Briefing

The Brandes Emerging Markets Value Fund rose 20.48% (Class I Shares) year-to-date through June 30, 2026, underperforming its benchmark, the MSCI Emerging Markets Index, which appreciated 23.85%, and the MSCI Emerging Markets Value Index, which gained 23.01%.

Performance drivers were largely consistent with those for the second quarter. Samsung, SK Hynix, and TSMC were the Fund's strongest performers, although the Fund's underweights to TSMC and SK Hynix were among the largest detractors from relative returns. Telecom services provider Millicom International Cellular was a notable contributor as well, along with Panamanian businesses Bladex and Copa Holdings, and Brazil's Petrobras. In addition, the Fund's underweight positions in India and China helped performance relative to the benchmark.

On the other hand, several holdings in China hurt returns, most notably Alibaba, Trip.com, and BYD Electronic. Other detractors included IT services company Globant, Indonesia-based Bank Rakyat Indonesia and Telkom Indonesia, and Bank of the Philippine Islands.

Current Positioning

The emerging markets (EM) investment universe has evolved meaningfully over the past two decades. Once dominated by financials, energy, and materials, emerging markets now sit at the center of the global AI buildout. Many AI infrastructure-enabling businesses, from semiconductor manufacturing to memory and hardware, are based in EM and have benefited from rising demand tied to data center expansion and increasing computing intensity. This shift is reflected in the index composition and the underlying return drivers. Technology now represents 45% of the MSCI EM Index (as of June 30), up from less than 30% at the start of the year and exceeding the sector weight within the MSCI USA Index (37% as of June 30). The stock-level concentration is also at a historic extreme, with the three largest companies (TSMC, Samsung, and SK Hynix) now accounting for 31% of the benchmark. As a result, Taiwan and South Korea, where these three companies—along with other technology firms—reside, have overtaken China as the benchmark's largest country exposures, while China's weight has fallen below 20% for the first time since 2014.

Although we are allocated to AI beneficiaries such as SK Hynix, TSMC, and Samsung, we have also identified value opportunities in areas perceived to be disrupted by AI, including IT services and online travel agencies. Consistent with our value-oriented approach, we remain mindful of valuations and cyclicality risks, particularly where expectations appear elevated or demand outcomes remain uncertain. As of June 30, the Fund's technology holdings represented 27% of the portfolio, making it the Fund's largest sector allocation but also its largest underweight relative to the benchmark. That underweight widened during the quarter as we trimmed select strong performers, while the benchmark's technology weight continued to increase mechanically alongside rising share prices, irrespective of valuation.

Outside technology, we continue to find compelling value in communication services, consumer staples, and financials, where the Fund's allocation increased with the addition of Saudi National Bank. By contrast, the materials sector remains an area where we have not been finding a lot of undervalued opportunities.

Geographically, we maintain meaningful exposure to businesses in Latin America, with diversified investments in telecommunications, energy, and real estate. The Fund's allocations to China and India increased in the quarter, but we remain underweight both countries—even as the benchmark's weights decreased. Additionally, the Fund's underweights to technology-heavy South Korea and Taiwan materially widened as they became larger portions of the benchmark.

In our view, the dynamic investing landscape of emerging markets underscores the importance of a selective, valuation-driven approach. While benchmark returns were concentrated in a small number of companies and sectors, we continue to find attractive opportunities across a broader opportunity set and remain encouraged by the risk-reward profile of the Fund's diverse holdings.

Average Annual Total Returns (%) as of June 30, 2026							
Without Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 8/20/1996[1]
Class I	13.84	20.48	46.40	25.57	12.07	9.42	7.93
Class A	13.74	20.34	46.08	25.35	11.84	9.18	7.69
Class C	13.50	19.87	45.04	24.38	11.01	8.57	—
Class R6	13.87	20.55	46.70	25.76	12.19	9.57	8.02
With Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 8/20/1996[1]
Class A	7.20	13.42	37.68	22.90	10.52	8.54	7.49
Class C	12.50	18.87	44.04	24.38	11.01	8.57	—
MSCI Emerging Markets Index	24.05	23.85	43.51	23.00	7.19	10.07	6.91
MSCI Emerging Markets Value Index	21.67	23.01	42.27	22.28	9.17	9.43	—

Operating Expenses: Class I: 1.11% (gross), 1.11% (net) Class A: 1.29% (gross), 1.29% (net) Class C: 2.02% (gross), 2.02% (net) Class R6: 1.05% (gross), 0.97% (net)

[1] Fund inception predates MSCI Emerging Markets Value Index inception.

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Prior to January 31, 2011, the Fund was a private investment fund managed by the Advisor with policies, guidelines and restrictions that were, in all material respects, equivalent to those of the Fund. Class A and Class I shares commenced operations on January 31, 2011, while Class C shares commenced operations on January 31, 2013. Prior to January 31, 2013, Class A shares were known as Class S shares. (Class A shares have the same operating expenses as Class S shares.) The Class I performance information shown for periods prior to January 31, 2011 is that of the private investment fund managed by the Advisor that is the predecessor of the Fund not adjusted for Fund expenses. Performance shown prior to January 31, 2011, for Class A shares reflects the performance of the private investment fund restated to reflect Class A sales loads and expenses. Performance shown prior to the inception of Class C shares reflects the performance of the private investment fund for periods prior to January 31, 2011 and the performance of Class I shares for the period from February 1, 2011 to January 30, 2013 restated to reflect Class C expenses. The Class C shares' average annual total return for the 10-year period assumes that Class C shares automatically converted to Class A shares 8 years after the start of the period. The Class C shares' average annual total return for the since inception period cannot be calculated as the Class A shares had not been launched as of 8/20/2004, 8 years after the inception date of the Brandes Emerging Markets Value Fund. Class R6 shares commenced operations on July 11, 2016. Performance shown prior to the inception of Class R6 shares reflects the performance of Class I shares.

The Advisor has contractually agreed to limit the operating expenses through July 29, 2027. The Expense Caps may be terminated at any time by the Board of Trustees upon 60 days notice to the Advisor, or by the Advisor with the consent of the Board.

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

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Because the values of the Fund's investments will fluctuate with market conditions, so will the value of your investment in the Fund. You could lose money on your investment in the Fund, or the Fund could underperform other investments. The values of the Fund's investments fluctuate in response to the activities of individual companies and general stock market and economic conditions. In addition, the performance of foreign securities depends on the political and economic environments and other overall economic conditions in the countries where the Fund invests. Emerging country markets involve greater risk and volatility than more developed markets. Some emerging markets countries may have fixed or managed currencies that are not free-floating against the U.S. dollar. Certain of these currencies have experienced, and may experience in the future, substantial fluctuations or a steady devaluation relative to the U.S. dollar. Stocks of small-sized and mid-sized companies tend to have limited liquidity and usually experience greater price volatility than stocks of larger companies. Growth stocks typically are more volatile than value stocks; however, value stocks have a lower expected growth rate in earnings and sales.

A mutual fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectuses contain this and other important information about the investment company, and may be obtained by calling 1.800.395.3807 or visiting www.brandes.com/funds. Read carefully before investing.

The foregoing reflects the thoughts and opinions of Brandes Investment Partners® exclusively and is subject to change without notice.

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