

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 3/31/2025)

| | |
|---|------|
| Taiwan Semiconductor Manufacturing Co Ltd | 7.57 |
| Samsung Electronics Co Ltd | 5.27 |
| Alibaba Group Holding Ltd | 4.81 |
| HDFC Bank Ltd | 3.45 |
| Embraer SA | 3.45 |
| Bank Rakyat Indonesia Persero Tbk PT | 3.13 |
| Petroleo Brasileiro SA | 2.77 |
| Wiwynn Corp | 2.62 |
| China Resources Beer Holdings Co Ltd | 2.51 |
| Copa Holdings SA | 2.28 |

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

The Brandes Emerging Markets Value Fund returned 4.86% (Class I Shares), outperforming its benchmark, the MSCI Emerging Markets Index, which was up 2.93% in the quarter, and the MSCI Emerging Markets Value Index, which gained 4.32%.

Positive Contributors

Holdings in Brazil, led by regional jet manufacturer Embraer and wireless telecommunication services provider TIM, helped performance. Embraer has maintained its impressive streak, announcing several new wins against competitors in its defense business. This, coupled with an expanding order backlog for regional jets, has further boosted market confidence in the company's prospects.

Select bank holdings performed well, most notably Austria-domiciled Erste Group and U.K.'s HSBC.

Other solid performers included China-based Alibaba and South Korean Samsung Electronics. Alibaba rose on favorable earnings results and improved market optimism about its progress in artificial intelligence (AI). In addition to launching its own AI models, Alibaba benefited from the release of DeepSeek, which utilizes Alibaba Cloud.

Relative to the benchmark, the Fund's underweights to Taiwan and India aided returns.

Performance Detractors

Poor performers included several of the Fund's holdings in information technology, specifically Taiwanese Wiwynn Corporation and Taiwan Semiconductor Manufacturing Company (TSMC), as well as Hong Kong-based semiconductor company ASMPT.

ASMPT fell due to a disappointing earnings report driven by the lack of meaningful recovery in traditional semiconductor packaging and slower-than-expected growth in advanced packaging solutions. We remain confident in the company's long-term upside potential and took advantage of the share-price decline to add to our position.

Other detractors included India's IndusInd Bank and China-based Galaxy Entertainment, as well as Indonesian Telkom Indonesia and noodle maker Indofood.

Additionally, the Fund's underweight to China hurt performance relative to the benchmark.

Select Activity in the Quarter

The emerging markets investment committee initiated a position in India-based real estate investment trust Embassy Office Parks REIT, while exiting positions in Chinese companies Contemporary Amperex Technology (CATL), Chinasoft International, and Shanghai Pharmaceuticals.

Both CATL and Chinasoft performed strongly in recent months, appreciating to our estimates of their intrinsic values, which led us to divest our positions.

CATL is the world's largest producer of lithium-ion batteries for electric vehicles and energy storage systems, with an estimated global market share of approximately 35% in each segment. Known for its technological and cost leadership, CATL offers products for both premium and mass-market electric vehicles. The company derives most of its sales domestically in China but has diversified its global presence in recent years.

We initially added CATL in late 2023 when its stock was trading near its 52-week low, marking a decline of over 50% from its all-time high. There were several factors contributing to this share-price pressure: a subdued industry outlook overseas, potential restrictions in the U.S. market, general wariness toward Chinese equities, and the risk of battery manufacturing overcapacity in China. Over our relatively short holding period, CATL benefited from a sentiment shift regarding its medium-term outlook, thanks to its strong earnings results and cost advantage potential.

Chinasoft, one of the leading IT services companies in China, provides services such as data cloud migration and outsourced coding and packaged software implementation. Chinasoft's shares recently increased materially, likely because the company is a potential significant beneficiary of China's government stimulus, given that its revenue is heavily dependent on discretionary enterprise IT expenditures.

Meanwhile, we divested Shanghai Pharmaceuticals after revising down our estimate of the company's intrinsic value. In May 2021, Shanghai Pharmaceuticals conducted a share issuance to its parent company Yunnan Baiyao, a traditional Chinese medicine and consumer products business. Since that time, the company's net income and return on invested capital have not improved sufficiently to offset the dilution, leading to a dimmer view of the company's value creation potential.

Current Positioning

The Fund maintains a significant overweight in Latin America, with diversified investments in telecommunications, utilities, energy, and real estate.

Amid fiscal spending concerns in Brazil, it might be reassuring to know that the Fund's allocation to Brazil is predominantly to exporters or companies with U.S. dollar-linked revenues, such as jet manufacturer Embraer, paper producer Suzano, and oil and gas firm Petrobras. Meanwhile, the Fund's domestic-oriented businesses include telecom services provider TIM, which offers a sizeable 10% dividend yield, and utility Neoenergia, whose revenues are inflation-protected.

We have also observed substantial value potential in select businesses in Mexico as the market remains concerned about tariffs. The bulk of the Fund's allocation in Mexico is geared toward domestic consumption through our positions in leading businesses such as consumer products company Kimberly-Clark, real estate investment trust Fibra Uno, and grocer Walmex. The Fund's other Mexican holdings, such as cement producer Cemex, real estate investment trust Prologis Mexico, and telecom services provider America Movil, have significant exposure to non-Mexican peso currencies.

The Fund remains underweight India, Taiwan, and China relative to the benchmark. Despite the market correction this quarter, we have not found much value potential in India, where we maintain exposure to banks and have identified some value in IT office parks.

Meanwhile, the recent China National People's Congress emphasized the importance of boosting consumption and developing AI applications, which positively impacted a variety of the Fund's China-related holdings, including Alibaba, China Resources Beer, NetEase, Macau casino operators, home appliances manufacturers, and travel and sportswear businesses. We find that Chinese consumer stocks are more attractively valued than most other sectors in China.

We remain comfortable with the risk/reward tradeoff that our holdings offer and are excited about the continued prospects of the Brandes Emerging Markets Value Fund.

| Average Annual Total Returns (%) as of March 31, 2025 | | | | | | | |
|---|----------|-------|--------|---------|---------|----------|--|
| Without Load | 3 Months | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception 8/20/1996 |
| Class I | 4.86 | 4.86 | 5.53 | 7.93 | 10.22 | 3.71 | 6.30 |
| Class A | 4.78 | 4.78 | 5.38 | 7.66 | 9.99 | 3.47 | 6.07 |
| Class C | 4.58 | 4.58 | 4.62 | 6.89 | 9.29 | 2.90 | — |
| Class R6 | 4.82 | 4.82 | 5.70 | 8.01 | 10.34 | 3.84 | 6.39 |
| With Load | 3 Months | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception 8/20/1996 ¹ |
| Class A | -1.25 | -1.25 | -0.68 | 5.55 | 8.69 | 2.86 | 5.86 |
| Class C | 3.58 | 3.58 | 3.62 | 6.89 | 9.29 | 2.90 | — |
| MSCI Emerging Markets Index | 2.93 | 2.93 | 8.09 | 1.44 | 7.94 | 3.70 | 5.46 |

Operating Expenses: Class I: 1.12% (gross), 1.12% (net) Class A: 1.32% (gross), 1.32% (net) Class C: 2.08% (gross), 2.08% (net) Class R6: 1.08% (gross), 0.97% (net)

¹ Fund inception predates MSCI Emerging Markets Value Index inception.

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. Performance would have been lower without limitations in effect. Performance data shown with load reflects the Class A maximum sales charge of 5.75%, and the Class C maximum deferred sales charge of 1.00% imposed on shares redeemed within one year of purchase. Performance shown without load does not reflect the deduction of the sales load. If reflected, the load would reduce the performance quoted.

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 15, 2026. 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.

Term definitions: <https://www.brandes.com/termdefinitions>

The MSCI Emerging Markets Index with net dividends captures large and mid cap representation of emerging market countries. Data prior to 2001 is gross dividend and linked to the net dividend returns.

The MSCI Emerging Markets Value Index with gross dividends captures large and mid cap securities exhibiting value style characteristics, defined using book value to price, 12-month forward earnings to price, and dividend yield.

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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.

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