Brandes Global Equity Fund

FUND INFORMATION

Class I:	BGVIX
Class A:	BGEAX
Class C:	BGVCX

STRATEGY

The Fund seeks long-term capital appreciation by investing in equity securities of issuers it believes are undervalued relative to their financial strength and upside potential.

TOP TEN HOLDINGS

(% of assets as of 6/30/2023)

Sanofi	2.76
Wells Fargo & Co	2.61
UBS Group AG	2.50
Shell PLC	2.46
Erste Group Bank AG	2.38
McKesson Corp	2.35
Heidelberg Materials AG	2.26
Imperial Brands PLC	2.25
TotalEnergies SE	2.18
GSK PLC	2.18

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

The Brandes Global Equity Fund rose 3.85% (Class I Shares), underperforming its benchmark, the MSCI World Index, which appreciated 6.83% in the second quarter, and outperforming the MSCI World Value Index, which rose 3.03%.

Positive Contributors

Leading contributors included our holdings in the health care and materials sectors, led by U.S.-based health care distributors **Cardinal Health** and **McKesson**, and hospital operator **HCA Healthcare**, as well as Spain-based biotechnology company **Grifols**. The share price of Grifols rose after it announced improved earnings because plasma collections have risen above pre-COVID levels and inflationary pressure on donor fees have eased. The company also declared that it was increasing its cost-savings plan and would divest some non-core assets to improve its balance sheet. German construction materials company **Heidelberg Materials** increased in value after announcing earnings results showing improving margins as inflation pressures subsided.

Other contributors included U.S. financial companies **Wells Fargo**, **OneMain** and **AIG**, as well as American semiconductor equipment manufacturer **Applied Materials**.

Performance Detractors

The most significant detractors included several emerging market investments, led by China-based **Alibaba** and Malaysia-based holding company **Genting Berhad**. Both declined amid weaker-than-expected Chinese demand recovery. Additionally, an announcement by Alibaba's largest shareholder, Softbank, that it would sell the majority of its stake pressured the company's shares further. Following the share-price decline, Alibaba now trades at less than 10x forward earnings, a level that we think offers an attractive investment opportunity given the firm's competitive position and long-term growth prospects. Moreover, Alibaba still plans to split its business into six units, which may help crystallize value for some of its underappreciated assets.

Our underweight to technology companies—the best performing sector in the benchmark—as well as our overweight to the energy sector, which declined slightly, also reduced the Fund's relative performance.

Other detractors included U.K.-based advertising agency **WPP**, as well as U.S.-based **Pfizer** and France-based luxury goods company **Kering**. Optimism about China's reopening boosted Kering's shares earlier in the year. However, as demand rebound from Chinese consumers turned out weaker than expected, the company saw its share price decline in the quarter. Short-term uncertainty around Gucci's new creative director, who joined the company this year, also contributed to investor worries. Nevertheless, we believe Kering—along with the luxury goods industry in general—offers compelling longer-term growth potential, and we appreciate that the company operates in a market with high barriers to entry and boasts a history of strong returns on capital. We therefore believe that Kering offers an attractive investment opportunity at its current valuation level.

Select Activity in the Quarter

The investment committee initiated a position in Thailand-based **Kasikornbank**, while selling our holding in Spain-based oil company **Repsol**.

Kasikornbank is one of Thailand's largest banks. Its share price declined this year as the company has experienced increasing credit costs from aggressively cleaning up its legacy non-performing loan portfolio. While we expect the company's earnings power will be diminished over the short term, we believe Kasikornbank offers an appealing long-term opportunity given its attractive valuation, capital levels and its exposure to a growing economy. Kasikornbank also offers potential upside as we believe an economic and tourism revival in Thailand would benefit the bank's customers and eventually help normalize its credit costs. Interest rates in Thailand remain fairly low with the current policy rate at 2.0%. As such, the country's banks still have potential for improvement in net interest margins if rates increase, and we believe there is less downside risk to interest rates than in other developed and emerging economies should rates decline due to global economic growth concerns. As Kasikornbank works on improving its asset quality, we believe the company offers a good investment opportunity at its current valuation of 60% of tangible book value and a single-digit earnings multiple.

We divested Repsol after its performance over the past year caused its share price to reach our estimate of its intrinsic value. Higher oil prices and improvements in the company's cost structure helped Repsol improve its balance sheet and free cash flow. Given the company's turnaround and its less diversified exposure relative to our other integrated oil holdings we sold our position as it reached our estimate of the company's intrinsic value.

Year-to-Date Briefing

The Brandes Global Equity Fund rose 9.43% (Class I Shares), underperforming its benchmark, the MSCI World Index, which climbed 15.09% in the six months ended June 30, 2023, and outperforming the MSCI World Value Index, which appreciated 3.98%.

The Fund's underperformance versus the MSCI World Index was driven by the outperformance of technology-related companies in the U.S. Within the MSCI World Index, the technology, communication services, and consumer discretionary sectors all appreciated more than 25%, while other sectors, such as financials, health care, and consumer staples, were roughly flat to slightly up. The largest individual detractors for the Fund included several U.S.-based health care companies, such as Pfizer, **Cigna Group**, and **CVS Health**, as well as financials **PNC Financial**, **Bank of America** and AIG.

Several materials and industrials holdings appreciated markedly, led by Heidelberg Materials, **Rolls-Royce**, and **FedEx**. Other contributors included semiconductor equipment company Applied Materials and emerging market holdings **Fibra Uno** and **Embraer**.

Current Positioning

As of June 30, 2023, the Brandes Global Equity Fund held its key positions in the economically sensitive financials and energy sectors and the more defensive health care sector. Our largest sector underweight was to the technology sector, which given its price appreciation this year, rose above a 20% allocation in the MSCI World Index. Meanwhile, our allocation to that sector increased modestly and was slightly below half the index weighting at quarter end.

Geographically, we continued to hold overweight positions in the United Kingdom, France and emerging markets but were underweight in Japan and the United States.

Given the narrow market leadership resulting from the price appreciation of several U.S. technology companies this year, value stocks (as measured by MSCI World Value) underperformed the broader market (MSCI World). However, since the release of the Pfizer COVID-19 vaccine in 2020, value stocks have outperformed the broader market (for the period October 31, 2020 through June 30, 2023). Based on current valuations of value stocks, as well as the higher inflation and interest-rate environment, we continue to believe that value stocks offer desirable potential on a go-forward basis.

Given the short-term performance exhibited by growth stocks (MSCI World Growth), some investors may believe that the rotation in favor of the value style has ended. However, history suggests that style leadership cycles have lasted on average six to seven years, with many short-term head-fakes in the interim. Value stocks continue to trade in the highest decile of discount levels to the broader market on a variety of valuation metrics, including forward price/earnings, price/cash flow, and enterprise value/sales. Previously experienced discounts similar to today's levels have often portended attractive returns over a long-term time horizon for value stocks. Our Fund has historically tended to outperform MSCI World Value when it outperforms MSCI World.

Looking ahead, we remain positive about the prospects for the Brandes Global Equity Fund given its current valuation and company fundamentals. We believe the differences between our portfolio and the broader market continue to make our Fund an intelligent complement to index-tracking or growth-oriented alternatives and we continue to be excited about the Fund's future potential.

Average Annual Total Returns (%) as of June 30, 2023							
Without Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 10/6/2008
Class I	3.85	9.43	17.70	16.25	6.17	6.81	6.99
Class A	3.78	9.24	17.39	15.94	5.90	6.54	6.74
Class C	3.60	8.87	16.55	15.08	5.11	5.91	6.29
With Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 10/6/2008
Class A	-2.19	2.96	10.62	13.68	4.66	5.92	6.31
Class C	2.60	7.87	15.55	15.08	5.11	5.91	6.29
MSCI World Index	6.83	15.09	18.51	12.18	9.07	9.50	9.25
MSCI World Value Index	3.03	3.98	10.65	12.52	5.66	6.69	6.99

Operating Expenses: Class I: 1.22% (gross), 1.00% (net) Class A: 1.42% (gross), 1.25% (net) Class C: 2.17% (gross), 2.00% (net)

*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 data shown with load reflects the Class A maximum sales charge of **5.75%.** Performance shown without load does not reflect the deduction of the sales load. If reflected, the load would reduce the performance quoted.*

Class I shares commenced operations on October 6, 2008. Class A shares commenced operations on January 31, 2011, but 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.) Performance shown prior to January 31, 2011 for Class A shares reflects the performance of Class I shares restated to reflect Class A sales loads and expenses. Class C shares commenced operations on January 31, 2013. Performance shown prior to the inception of Class C shares reflects the performance of Class I shares restated to reflect Class C expenses. The Class C shares' average annual total return for the 10-year and since inception periods assumes that Class C shares automatically converted to Class A shares 8 years after the start of the period.

The Advisor has contractually agreed to limit the operating expenses through January 28, 2024. 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. Investment performance reflects fee waivers and/or reimbursement of expenses. In the absence of such waivers/reimbursements, total return would be reduced.

Enterprise Value/Sales: Enterprise value divided by annual sales.
Earnings Per Share: Net profit divided by the number of common shares outstanding.
Forward Earnings: Sell-side analysts' consensus earnings estimates for the next fiscal year.
Forward Price/Earnings: Price per share divided by earnings per share expected over the next 12 months or next fiscal year.
Free Cash Flow: Total cash flow from operations less capital expenditures.
Net Interest Margin: Interest income generated by a financial institution minus the amount of interest paid to its lenders, divided by average earning assets.
Price/Cash Flow: Price per share divided by cash flow per share.
Price/Tangible Book: Price per share divided by tangible book value per share.
Price/Earnings: Price per share divided by earnings per share.
Return on Capital: Net income minus dividends divided by total capital; used to assess a company's efficiency at allocating the capital under its control to profitable investments.
Tangible Book Value: Book value minus intangible assets (e.g., goodwill).
The MSCI World Index with net dividends captures large and mid cap representation of developed markets.
The MSCI World Value Index with gross dividends captures large and mid cap securities across developed market countries exhibiting value style characteristics, defined using book value to price, 12-month forward earnings to price, and dividend yield.
The MSCI World Growth Index with gross dividends captures large and mid cap securities across developed market countries exhibiting growth style characteristics, defined using long-term forward EPS growth rate, short-term forward EPS growth rate, internal growth rate, and long term EPS and Sales growth trend.

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. 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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