

Brandes International Small Cap Equity Fund

FUND INFORMATION

Class I:	BISMX
Class A:	BISAX
Class C:	BINCX
Class R6:	BISRX

STRATEGY

The Brandes International Small Cap Equity 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 6/30/2025)

Embraer SA	3.98
Montana Aerospace AG	3.86
C&C Group PLC	3.50
LISI SA	3.22
CAE Inc	3.21
Millicom International Cellular SA	3.00
Grifols SA	2.79
Fibra Uno Administracion SA de CV	2.69
Draegerwerk AG & Co KGaA	2.64
Societe BIC SA	2.61

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

The Brandes International Small Cap Equity Fund returned 22.52% (Class I Shares), outperforming its benchmark, the MSCI ACWI ex USA Small Cap Index, which was up 16.93% in the quarter, and the MSCI ACWI ex USA Small Cap Value Index, which gained 14.82%.

Positive Contributors

Holdings in aerospace and defense continued to be strong contributors to performance. All of the Fund's holdings in the industry were up double-digits in the quarter, led by Brazil's Embraer, U.K.-based QinetiQ Group, and Switzerland-based Montana Aerospace.

Communication services holdings also lifted returns, notably Hungary's Magyar Telekom and Luxembourg-domiciled Millicom International, which operates in Latin America.

Other standout performers included Irish beverage company C&C Group, Mexico-based stock exchange operator Bolsa Mexicana de Valores, and U.K. luxury goods firm Burberry Group. C&C Group rebounded sharply, supported by improving fundamentals, easing cost pressures, and a recovery in its distribution segment.

Performance Detractors

Select holdings in Canada performed poorly, specifically home and juvenile products company Dorel Industries and paper and forest products business Canfor.

Other detractors included Japan-based Kaken Pharmaceutical and Hyakugo Bank, as well as Belgian personal care products firm Ontex Group.

Additionally, after being the worst-performing sector in the benchmark in the first quarter of 2025, technology stocks rebounded. As such, the Fund's underweight to the sector detracted from relative returns.

Select Activity in the Quarter

The small-cap investment committee initiated positions in Canadian tech firm Open Text, U.S. machinery business Kennametal, and U.K.-based recruiting company PageGroup.

Founded in 1991 out of the University of Waterloo, Open Text has grown to provide a broad suite of information management software through strategic acquisitions of mature, predominantly on-premise software assets. In recent years, however, the company has shifted its focus toward acquiring cloud-native technologies, reflecting a broader investment in transitioning its product portfolio to a hybrid cloud environment. With the exception of Carbonite, which is intended for individuals or small businesses, Open Text's offerings primarily target large enterprises.

Open Text's stock has come under pressure, potentially due to a loss of investor confidence in management. This stems from multiple revisions and delays in meeting targets without clear explanations, the negative impact of acquisitions like Zix and Micro Focus, and a lack of transparency across business segments. Although Open Text has recently been able to strengthen its balance sheet, investor concerns have been further heightened by management commentary about pursuing additional acquisitions.

Nonetheless, we believe there are compelling reasons to invest in Open Text at its current share price:

- Strong financial position: Core business remains profitable and cash generative, despite current challenges.
- AI and cloud potential: Significant investments in AI and cloud capabilities that may be successful in driving future growth, but current valuation does not seem to give credit for this optionality.
- Restored balance sheet: Reduced leverage and improved financial stability following recent divestitures.

Besides the new purchases, other portfolio activity included the divestments of U.K. aerospace company Rolls-Royce, Japanese Hachijuni Bank, Ireland-based catering company Greencore Group, and South Korean food and beverage business Binggrae. We exited these positions as they approached our estimates of their intrinsic values.

Year-to-Date Briefing

The Brandes International Small Cap Equity Fund rose 35.35% (Class I Shares), outperforming its benchmark, the MSCI ACWI ex-US Small Cap Index, which appreciated 17.68% in the six months ended June 30, 2025, and the MSCI ACWI ex-US Small Cap Value Index, which rose 18.20%.

While the outperformance of value stocks (MSCI ACWI ex-US Small Cap Value vs. MSCI ACWI ex-US Small Cap) has been a tailwind for the Fund given our value exposure, it was our stock selection across multiple sectors that mostly drove the Fund's outperformance relative to the benchmark. Leading contributors included holdings in industrials, led by Embraer, Montana Aerospace, LISI, and Rolls-Royce. Additionally, holdings in communication services and materials lifted returns.

Detractors were similar to those in the quarter, including Dorel Industries, Canfor, Ontex Group, and Kaken Pharmaceutical.

Current Positioning

The Fund maintains large allocations to industrials, consumer staples, health care, and financials, while holding underweights in technology, materials, real estate, and consumer discretionary. Geographically, it continues to have significant exposure to companies in Japan (although underweight relative to the benchmark), the U.K., Canada, France, Ireland, Hong Kong, and emerging markets, while maintaining underweights in Australia, India, China, and Taiwan.

As has been the case over the past few years, our stock selection across sectors and countries has primarily driven outperformance. Going forward, we remain optimistic about the Fund's holdings composition and the risk/reward tradeoff it offers.

Average Annual Total Returns (%) as of June 30, 2025

Without Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 8/20/1996
Class I	22.52	35.35	44.09	37.52	26.78	10.62	10.55
Class A	22.49	35.28	43.84	37.26	26.54	10.39	10.30
Class C	22.28	34.86	42.77	36.25	25.77	9.80	—
Class R6	22.57	35.52	44.24	37.73	26.99	10.75	10.63
With Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 8/20/1996 ²
Class A	15.45	27.50	35.57	34.58	25.05	9.74	10.07
Class C	21.28	33.86	41.77	36.25	25.77	9.80	—
MSCI ACWI ex USA Small Cap Index	16.93	17.68	18.34	13.45	10.74	6.54	6.85
MSCI ACWI ex USA Small Cap Value Index	14.82	18.20	18.82	14.57	13.07	6.61	7.57

Operating Expenses: Class I: 1.11% (gross), 1.11% (net) Class A: 1.32% (gross), 1.32% (net) Class C: 2.07% (gross), 2.07% (net) Class R6: 1.08% (gross), 1.00% (net)

² Indicates performance of the S&P Developed Ex U.S. SmallCap Index, the fund's previous benchmark, and the S&P Developed Ex U.S. SmallCap Value Index, from inception through 5/31/2007, and the performance of the MSCI ACWI ex USA Small Cap Index and the MSCI ACWI ex USA Small Cap Value Index from 6/01/2007 to present. Effective January 28, 2024, the benchmark for the Predecessor Fund changed from the S&P Developed ex-U.S. Small Cap (Net Dividends) Index to the MSCI ACWI ex USA Small Cap Index to better align the Predecessor Fund's benchmark with the Fund's current portfolio objectives and composition.

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 February 1, 2012, 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 were first offered on February 1, 2012, while Class C shares were first offered 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 before February 1, 2012 is that of the private investment fund managed by the Advisor that is the predecessor of the Fund, not restated to reflect Fund expenses. Performance shown prior to February 1, 2012 for the Class A shares reflects the performance of the private investment fund shares 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 February 1, 2012 and the performance of Class I shares for the period from February 1, 2012 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 8/19/2004, 8 years after the inception date of the Brandes International Small Cap Equity Fund. Class R6 shares were first offered on June 27, 2016. Performance shown prior to the inception of Class R6 shares reflects the performance of Class I shares restated to reflect Class R6 expenses.

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 ACWI ex USA Small Cap Index with net dividends captures small-cap representation across developed and emerging markets excluding the United States.

The MSCI ACWI ex USA Small Cap Value Index captures small-cap securities across developed and emerging markets excluding the United States, exhibiting overall value style characteristics, defined using book value to price, 12-month forward earnings to price, and dividend yield.

The S&P Developed Ex U.S. SmallCap Index with net dividends measures the equity performance of small cap companies in developed markets excluding the United States. Data prior to 2001 is gross dividend and linked to the net dividend returns.

The S&P Developed Ex U.S. SmallCap Value Index with net dividends measures the equity performance of small cap companies in developed markets excluding the United States, which are classified as value stocks by book value-to-price, sales-to-price, cash flow-to-price, and dividend yield.

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It is not possible to invest directly in an index.

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.

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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