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 3/31/2025)

Embraer SA	3.99
Draegerwerk AG & Co KGaA	3.11
CAE Inc	3.07
Millicom International Cellular SA	2.97
LISI SA	2.93
C&C Group PLC	2.91
Fibra Uno Administracion SA de CV	2.84
Linea Directa Aseguradora SA	2.83
Montana Aerospace AG	2.78
S-1 Corp	2.73

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

The Brandes International Small Cap Equity Fund returned 10.47% (Class I Shares), outperforming its benchmark, the MSCI ACWI ex USA Small Cap Index, which was up 0.64% in the quarter, and the MSCI ACWI ex USA Small Cap Value Index, which gained 2.94%.

Positive Contributors

Holdings in the aerospace and defense industry continued to drive returns, led by Brazilian regional jet manufacturer Embraer, U.K.-based Rolls-Royce, and Switzerland-based Montana Aerospace. Both Rolls-Royce and Embraer appreciated substantially over the past few years as their end-markets recovered, leading to better-than-expected earnings with higher volumes and enhanced margins. Rolls-Royce upgraded its fiscal-year guidance and announced a share buyback as its balance sheet strengthened on the back of healthy cash-flow generation. Meanwhile, Embraer secured 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.

Communication services holdings also lifted returns, notably Hungary's Magyar Telekom and Luxembourg-domiciled Millicom International, which operates in Latin America. Magyar reported earnings results that exceeded market expectations and announced an increase in its dividend.

Other strong performers included German medical equipment manufacturer Draegerwerk, which benefited from an improved outlook, and France-based cement company Vicat, which showed strong financial results and progress on various strategic initiatives.

Performance Detractors

Information technology was the worst-performing sector in the benchmark, and the Fund's only holding in the sector, Hong Kong-based PAX Global Technology, declined as well.

Other detractors included investments in consumer discretionary and consumer staples, including U.K.-based grocer J Sainsbury and Ireland-based beverage firm C&C Group. Shares of C&C Group fell amid a weaker hospitality industry in the U.K., a key market for the company. The firm also faced market skepticism about the timing of its turnaround and the initial implementation of its strategic plan to simplify the business and improve its brand.

From a country perspective, holdings in Canada hurt performance, specifically packaging firm Winpak, flight simulation business CAE, Sprott Physical Uranium Trust, and juvenile products company Dorel Industries.

Select Activity in the Quarter

The small-cap investment committee initiated a position in South Korean Hankook Tire & Technology, while divesting positions in Greece-based personal products company Sarantis, Japan's Oita Bank, and U.K. financial services firm St. James Place.

Hankook Tire & Technology is the largest tire producer in Korea and the seventh largest in the world. Almost all of Hankook's tires are for passenger and light-duty vehicles. Historically, Hankook has been a second-tier player in the industry, producing good quality tires that sell at a discount to the products of first-tier players. In the last few years, Hankook has been able to modestly increase its market share in both the original equipment and replacement markets.

Hankook’s shares traded down over the past year, largely due to capital allocation concerns. A longtime shareholder of auto components supplier Hanon Systems, Hankook increased its previously 20%-stake at a significant premium (approximately 60%) to Hanon’s share price in 2024. While we agree that the transaction was value destructive, we believe the market has overreacted to the news and undervalued the earnings power of the business.

We appreciate that Hankook maintains a strong, net-cash balance sheet subsequent to the Hanon Systems transaction. Additionally, the majority of demand for Hankook’s tires is for replacement tires versus new vehicle tires, which, although somewhat cyclical in nature, positions Hankook more defensively. The company has also been making investments to gain market share in the U.S. and Europe, and it has a competitive offering in electric vehicle (EV) tires. EVs require more advanced tires, which are sold at a premium and can have a shorter replacement cycle. At its current valuation, Hankook offers a compelling investment opportunity to us.

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., France, Ireland, Hong Kong, and emerging markets, while maintaining underweights in Australia, India, China, and Taiwan.

While value leadership (MSCI ACWI ex U.S. Small Cap Value vs. MSCI ACWI ex U.S. Small Cap) did provide a tailwind for the Fund over the past year, it was our stock selection across sectors and countries that 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 March 31, 2025							
Without Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 8/20/1996 [2]
Class I	10.47	10.47	25.42	22.83	24.73	8.55	9.86
Class A	10.44	10.44	25.20	22.55	24.50	8.32	9.61
Class C	10.29	10.29	24.23	21.68	23.72	7.74	—
Class R6	10.57	10.57	25.63	23.02	24.89	8.67	9.94
With Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 8/20/1996 [2]
Class A	4.09	4.09	18.00	20.16	23.03	7.68	9.38
Class C	9.29	9.29	23.23	21.68	23.72	7.74	—
MSCI ACWI ex USA Small Cap Index	0.64	0.64	1.87	0.99	11.83	5.32	6.32
MSCI ACWI ex USA Small Cap Value Index	2.94	2.94	4.14	3.49	13.70	5.48	7.12

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.

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

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