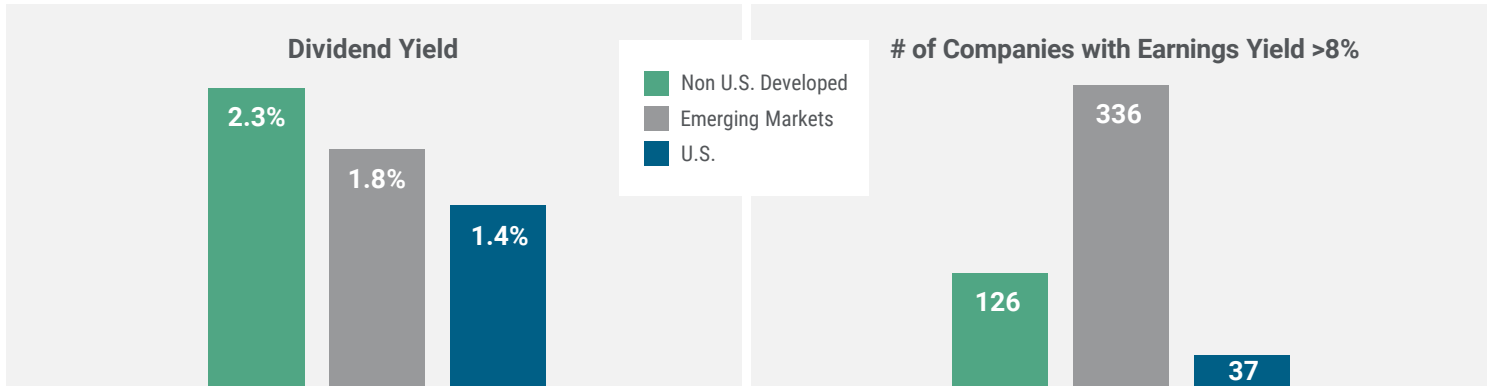


Have International Value Stocks Hit the Sweet Spot?

After years of underperformance relative to their U.S. counterparts, it is no surprise that international equities have not been the asset class of choice for many investors. However, we believe non-U.S. stocks represent significantly underappreciated potential. Not only do they trade at a compelling discount to U.S. stocks (near 20-year high based on price-to-cash earnings as of March 31, 2021)¹, but they also offer higher dividend yield on average. Additionally, the asset class boasts a larger opportunity set (especially when including emerging markets), with more companies generating earnings yield of 8% or higher (see chart).

FINDING VALUE OUTSIDE THE UNITED STATES

Non-U.S. Companies: Higher Dividend and Earnings Yields

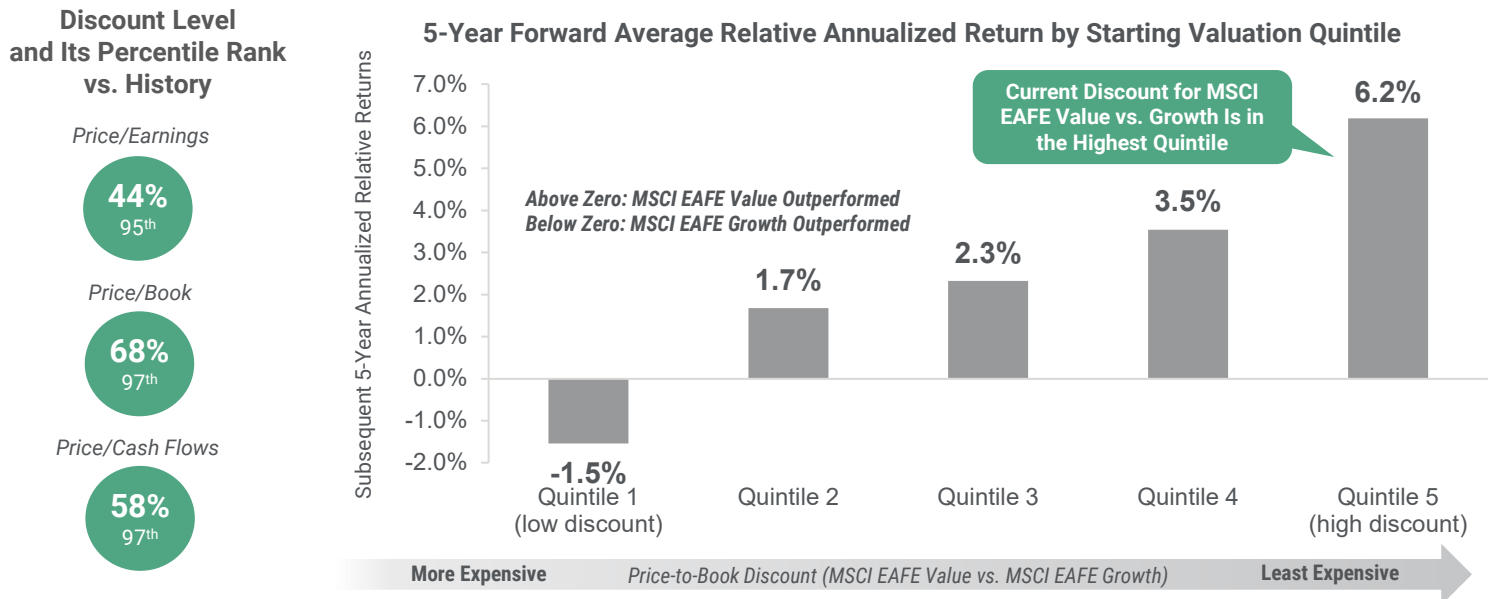


AS OF 3/31/21. Source: Brandes, FactSet. Non-U.S. Developed represented by MSCI EAFE; Emerging Markets represented by MSCI Emerging Markets; U.S. represented by S&P 500.

Within the asset class itself, value stocks appear more attractively priced than growth stocks as they continue to trade at what we consider appealing valuation discounts based on a variety of measures. Historically, higher discount levels tended to precede strong relative returns for value stocks relative to growth stocks.

VALUATIONS MAY BODE WELL FOR INTERNATIONAL VALUE STOCKS

MSCI EAFE Value vs. MSCI EAFE Growth

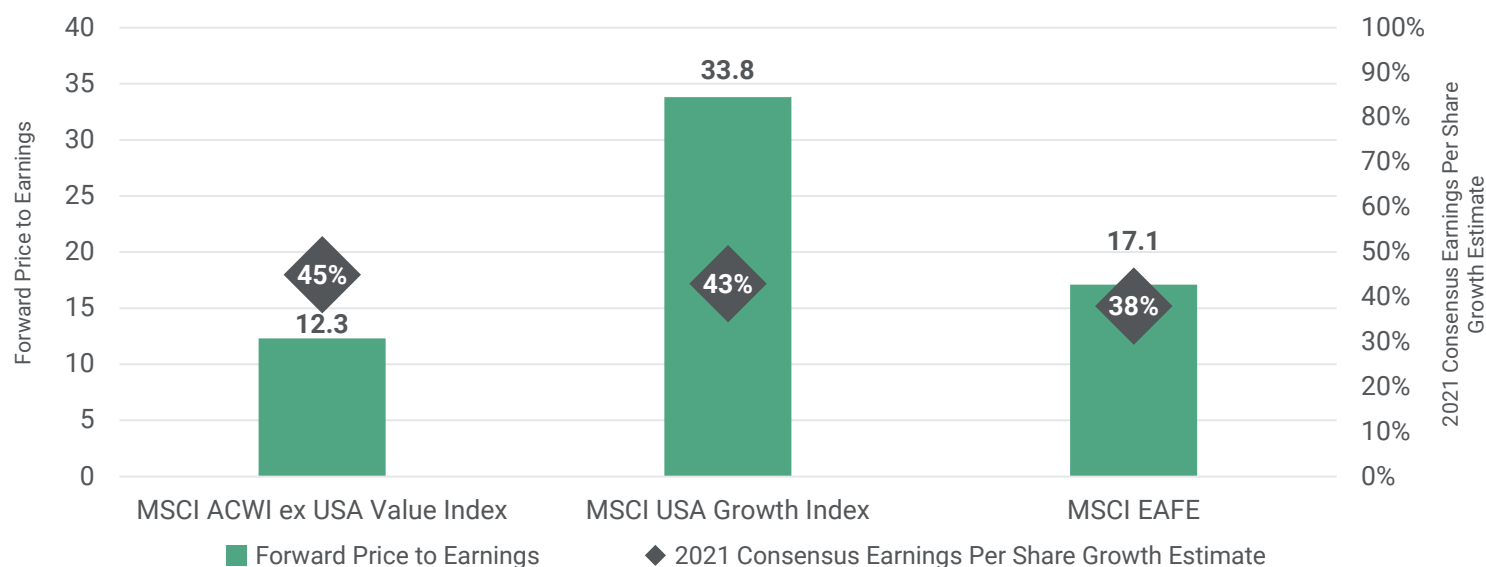


DECEMBER 31, 1974 TO MARCH 31, 2021. Source: MSCI via FactSet. P/E, P/B and P/CF as of 3/31/2021. Annualized returns (12/31/1974-3/31/2021): MSCI EAFE Value 11.12%; MSCI EAFE Growth 9.07%. The quintiles are based on the P/B discount of MSCI EAFE Value vs MSCI EAFE Growth by quarter since 1974. P/B discount = 1 - (MSCI EAFE Value's Price to Book/ MSCI EAFE Growth's Price to Book). Higher discounts indicate lower P/B for MSCI EAFE Value compared to MSCI EAFE Growth. The inception date for the MSCI EAFE Value Index and Growth Index is December 8, 1997. Performance prior to this date is the result of back-testing performed by MSCI. There may be frequent material differences between back-tested performance and actual results. Past performance is not a guarantee of future results. One cannot invest directly in an index.

In addition to their attractive price, international value stocks are expected to have higher earnings growth than U.S. stocks and the broader non-U.S. market. We believe this combination of lower price and higher expected earnings growth puts international value stocks in a “sweet spot.”

THE SWEET SPOT FOR INTERNATIONAL EQUITIES?

Higher Expected Earnings Growth at Lower Valuation for Non-U.S. Value Stocks



AS OF 3/31/21. Source: FactSet, CapitalIQ.

Value Shift May Be Beneficial for Brandes International Equity Fund

In our opinion, the current “pro-value” cycle—international value stocks (MSCI EAFE Value) have outperformed the general market (MSCI EAFE) and the international growth stocks (MSCI EAFE Growth) by 7.8% and 15.2%, respectively, in the last seven months (10/31/20 to 5/31/21)—may bode well for the Brandes International Equity Fund. Historically, when value stocks outperformed the general market, our strategy often did even better.

	Q2 2021	Q4 2020	Q4 2018	Q4 2016	11/30/2012 to 11/30/2013	12/31/1999 to 12/31/2003 (Annualized)
Brandes International Equity Fund (Class I)	6.12%	22.26%	-10.81%	1.94%	31.59%	2.75%
MSCI EAFE	5.17%	16.05%	-12.54%	-0.71%	24.84%	-5.86%
MSCI EAFE Value	3.01%	19.20%	-11.70%	4.17%	26.20%	-0.91%

AS OF 6/30/21. Source: Brandes, MSCI via FactSet. Past performance does not guarantee future results.

Source: Brandes, MSCI. Performance data quoted, calculated in USD, 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. Performance data current to the most recent month end may be obtained by calling 800.395.3807. It is not possible to invest directly in an index.

	Average Annual Total Returns (%)	
	International Equity Fund I Share	MSCI EAFE
3 Months	6.12	5.17
1 Year	44.47	32.35
3 Years	5.12	8.27
5 Years	8.00	10.28
10 Years	5.05	5.89
Since Inception (1/2/1997)	7.69	5.28

AS OF 6/30/21. Source: Brandes, MSCI via FactSet. It is not possible to invest directly in an index.

Fees & Expenses

Class I: 0.85% (net), 0.94% (gross)

The Advisor has contractually agreed to limit operating expenses through January 31, 2022 (the “Expense Cap”). The Expense Cap 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.

Furthermore, while the investment theses for our holdings do not rely on the directions of inflation, we believe that should inflation rise, the Brandes International Equity Fund is well positioned due to its value-oriented nature. The fund has generally outperformed the broader market during inflationary environments.

Amid the recent favorable environment for value stocks and the possibility for increased inflation, which may serve as a tailwind to value stocks' performance, we believe the Brandes International Equity Fund can help investors tap into the underappreciated potential of international equities.

¹Source: MSCI via FactSet 3/31/01 to 3/31/21; international: MSCI EAFE, U.S.: MSCI USA. As of 3/31/21, MSCI EAFE traded at 42% price-to-cash earnings discount to MSCI USA vs. 27% 20-yr average and 20-yr high of 49%.

Past performance is not a guarantee of future results. It is not possible to invest directly in an index. The declaration and payment of shareholder dividends are solely at the discretion of the issuer and are subject to change at any time.

Forward Price/Earnings: Price per share divided by expected earnings per share. **Price/Book:** Price per share divided by book value per share. **Price/Earnings:** Price per share divided by earnings per share. **Price/Cash Flow:** Price per share divided by cash flow per share. **Price/Cash Earnings:** Price per share divided by operating cash flow per share. **Dividend Yield:** Dividends per share divided by price per share. **Earnings yield:** Earnings per share divided by price per share.

The S&P 500 Index with gross dividends measures equity performance of 500 of the top companies in leading industries of the U.S. economy. **The MSCI EAFE Index** with net dividends captures large and mid cap representation of developed market countries excluding the U.S. and Canada. **The MSCI EAFE Value Index** with net dividends captures large and mid cap securities across developed market countries, excluding the United States and Canada, exhibiting value style characteristics, defined using book value to price, 12-month forward earnings to price, and dividend yield. **The MSCI EAFE Growth Index** with net dividends captures large and mid cap securities across developed market countries, excluding the United States and Canada, exhibiting growth style characteristics, defined using long-term forward earnings per share (EPS) growth rate, short-term forward EPS growth rate, current internal growth rate, long-term historical EPS growth trend, and long-term historical sales per share growth trend. The MSCI USA Index measures the performance of the large and mid cap segments of the U.S. equity market. **The MSCI ACWI ex USA Index** with gross dividends captures large and mid cap representation across developed and emerging markets excluding the United States. **The MSCI ACWI ex USA Value Index** with gross dividends captures large and mid cap securities across developed and emerging markets excluding the United States. Attributes for value index construction are book value to price, 12-month forward earnings to price, and dividend yield. **The MSCI Emerging Markets Index** with net dividends captures large and mid cap representation of emerging market countries. **The MSCI USA Growth Index** with gross dividends captures large and mid cap segments of the U.S. equity market exhibiting growth style characteristics, defined using long-term forward earnings per share (EPS) growth rate, short-term forward EPS growth rate, current internal growth rate, long-term historical EPS growth trend, and long-term historical sales per share growth trend.

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

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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.

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 brandesfunds.com. Read carefully before investing.

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