

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 12/31/2024)

Embraer SA	4.95
CAE Inc	4.24
C&C Group PLC	2.96
Draegerwerk AG & Co KGaA	2.56
Nova Ljubljanska Banka dd	2.54
LISI SA	2.53
PAX Global Technology Ltd	2.50
Linea Directa Aseguradora SA	2.49
Montana Aerospace AG	2.48
Grifols SA	2.48

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

The Brandes International Small Cap Equity Fund declined 2.99% (Class I Shares), outperforming its benchmark, the MSCI ACWI ex USA Small Cap Index, which fell 7.66% in the quarter, and the MSCI ACWI ex USA Small Cap Value Index, which was down 8.08%.

Positive Contributors

Major contributors included holdings in emerging markets, notably Brazil-based regional jet manufacturer Embraer, Hungary's Magyar Telekom, and Chinese entertainment business Boyaa Interactive.

Embraer continued to do well as it benefited from improving earnings. Meanwhile, Magyar Telekom announced robust earnings results and good progress on its strategic initiatives.

Other standout performers included Hong Kong-based footwear manufacturer Yue Yuen Industrial, U.K. luxury goods firm Burberry Group, and Canadian flight training company CAE. The market reacted positively to the profit inflection point in CAE's defense division as its fixed-price contracts expired and its large backlog of lucrative new business wins began to ramp up.

Relative to the benchmark, the Fund's underweights to the real estate and materials sectors contributed to alpha generation.

Performance Detractors

Select aerospace and defense holdings performed poorly, particularly Switzerland-based Montana Aerospace and France-based LISI.

Montana Aerospace declined due to a slower production ramp than the market had anticipated. Nonetheless, the company remains an attractive value opportunity, in our opinion, given the potential continued recovery of the aerospace cycle. We also believe that Montana is well positioned to consolidate the industry supply chain and improve its balance sheet and free-cash-flow generation. We took advantage of the share-price decline to add to our position.

Other detractors included Irish beverage firm C&C Group, Spain-based biotechnology business Grifols, and Canadian household durables company Dorel Industries. Additionally, the Fund's underweight to information technology hurt relative returns.

Select Activity in the Quarter

Portfolio activity was relatively light in the quarter. The small-cap investment committee sold its position in China-based Boyaa Interactive as its shares appreciated toward our estimate of intrinsic value.

The opportunity set for international small-cap equities remains rich, in our opinion. The committee initiated new positions in Kimberly-Clark de Mexico and Mexico-based insurance company Qualitas Controladora and also added to several of our existing positions, including the aforementioned Montana Aerospace, LISI, Brazilian utility Neoenergia, Indonesian food products company Indofood, and Mexican real estate investment trust Fibra Uno.

Uncertainties related to the national elections in Mexico and the United States, as well as concerns over tariffs, have hurt market sentiment on Fibra Uno. We believe these issues have been more than reflected in Fibra Uno's share price, leading to our decision to increase allocation to the company.

Year-to-Date Briefing

The Brandes International Small Cap Equity Fund returned 23.44% (Class I Shares), outperforming its benchmark, the MSCI ACWI ex USA Small Cap Index, which gained 3.36% in 2024, and the MSCI ACWI ex USA Small Cap Value Index, which was up 3.60%.

Stock selection across multiple sectors drove returns. Top performers included aerospace and defense companies Embraer, Heroux-Devtek, and Rolls-Royce, as well as bank holdings AIB Group and Nova Ljubljanska Banka.

Food products business Greencore Group, Boyaa Interactive, and Yue Yuen Industrial also helped returns, as did telecom services providers Magyar Telekom and Millicom International Cellular. Geographically, holdings in Hong Kong, the United Kingdom, Ireland, and Brazil were solid contributors.

The Fund's lack of exposure to India weighed on relative returns. At the stock level, several positions in health care declined, notably Grifols and France-based pharmaceutical firm Euroapi. Other detractors included Mexico-based Fibra Uno and homebuilder Consorcio ARA, as well as Switzerland's Montana Aerospace.

Current Positioning

The portfolio positioning from a country and sector standpoint remained largely unchanged during the quarter and the year. 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., Ireland, Hong Kong, and emerging markets, while maintaining underweights in Australia, India, China, and Taiwan.

Stock selection across sectors and countries continued to drive the Fund's outperformance relative to the benchmark this year. Going forward, we remain optimistic about the Fund's holdings composition and the risk/reward tradeoff it offers.

Average Annual Total Returns (%) as of December 31, 2024

Without Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 8/20/1996 ²
Class I	-2.99	23.44	23.44	16.32	14.37	8.10	9.57
Class A	-3.07	23.18	23.18	16.09	14.14	7.87	9.31
Class C	-3.26	22.20	22.20	15.20	13.40	7.30	—
Class R6	-3.02	23.56	23.56	16.48	14.50	8.22	9.64
With Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 8/20/1996 ²
Class A	-8.64	16.10	16.10	13.82	12.80	7.24	9.09
Class C	-4.22	21.20	21.20	15.20	13.40	7.30	—
MSCI ACWI ex USA Small Cap Index	-7.66	3.36	3.36	-1.46	4.29	5.66	6.36
MSCI ACWI ex USA Small Cap Value Index	-8.08	3.60	3.60	1.60	4.63	5.52	7.08

Operating Expenses: Class I: 1.17% (gross), 1.16% (net) Class A: 1.37% (gross), 1.37% (net) Class C: 2.12% (gross), 2.12% (net) Class R6: 1.12% (gross), 1.01% (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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