

2019

BRANDES INVESTMENT FUNDS PLC



# Brandes reports:

Annual Report &  
Audited Financial  
Statements

31 December 2019

**BRANDES**  
INVESTMENT FUNDS PLC

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## MANAGEMENT & ADMINISTRATION

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### Registered Office

33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Manager

Brandes Investment Partners (Europe) Limited  
36 Lower Baggot Street  
Dublin 2  
Ireland

### Administrator

State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Depository

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Auditor

KPMG  
1 Harbourmaster Place  
IFSC  
Dublin 1  
Ireland

### Legal Advisor

**Ireland**  
Dillon Eustace  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Legal Advisor

**United States**  
Dechert LLP  
1775 I Street, N.W.  
Washington D.C. 20006-2401  
USA

### Secretary

Tudor Trust Limited  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Directors

John Mahon\* (Irish)  
Gerald Moloney\* (Irish)  
Oliver Murray (Canadian and Irish)  
Peter Sandys\* (Irish)  
Dylan Turner (Canadian)  
Adam Mac Nulty (Irish)

\* Independent Non-Executive Director.

### Distributors

Brandes Investment Partners, L.P.  
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San Diego, California 92130  
USA

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MFEX Mutual Funds Exchange AB  
Linnégatan 9-11  
SE-114 47 Stockholm  
Sweden

Swisscanto Funds Centre Limited  
4th Floor, 51 Moorgate  
London EC2R 6BH  
United Kingdom

Registration number 355598

## GENERAL INFORMATION

Brandes Investment Funds plc (the “Fund”) was incorporated in Ireland on 11 April 2002 and is an open-ended umbrella type investment company with variable capital established as an undertaking for collective investment in transferable securities under the laws of Ireland as a public limited company pursuant to the European Communities (Undertakings for Collective Investments in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”).

At 31 December 2019, the Fund comprised four separate portfolios of investments (each a “Sub-Fund”, collectively the “Sub-Funds”), each of which is represented by a separate series of Redeemable Participating Shares. These Sub-Funds are the Brandes Global Value Fund which commenced operations on 24 September 2002, Brandes European Value Fund which commenced operations on 14 January 2003, Brandes U.S. Value Fund which commenced operations on 17 July 2003 and Brandes Emerging Markets Value Fund which commenced operations on 10 May 2012. The Fund is an umbrella fund with segregated liability between its sub-funds and accordingly any liability incurred on behalf of or attributable to any Sub-Fund shall be discharged solely out of the assets of that Sub-Fund.

The following are active share classes in each of the respective Sub-Funds at the financial year end:

Sub-Fund	Share Class	Share Class Launch Date
Brandes Global Value Fund	US Dollar Class A	29 November 2002
	Euro Class A	29 November 2002
	Sterling Class A	29 November 2002
	Sterling Class A1	7 April 2010
	US Dollar Class I	24 September 2002
	Euro Class I	1 November 2002
	Sterling Class I	29 November 2002
	Sterling Class II	18 April 2007
Brandes European Value Fund	US Dollar Class A	12 February 2003
	Euro Class A	17 July 2003
	Euro Class A1	5 October 2015
	Sterling Class A	27 September 2005
	US Dollar Class I	14 January 2003
	Euro Class I	26 February 2003
	Euro Class II	14 June 2016
	Sterling Class I	13 January 2004
Brandes U.S. Value Fund	US Dollar Class A	17 July 2003
	Euro Class A	17 July 2003
	Sterling Class A	21 September 2005
	US Dollar Class I	16 April 2014
	Euro Class I	16 March 2011
Brandes Emerging Markets Value Fund	US Dollar Class A	27 February 2013
	Euro Class A	11 January 2013
	US Dollar Class I	10 May 2012
	Euro Class I	30 January 2014

*Across relevant launched share classes for the Sub-Funds, where available:*

*Class I and II relate to institutional investors and Class A and A1 shares are offered by the Distributors only.*

*Class A1 and II are distributing share classes, paying an annual dividend. All other classes are accumulating share classes.*

*There were not any share classes hedged during the financial year ended 31 December 2019.*

*Details of share classes not yet launched can be found in the current prospectus of the Fund and supplements related to the Sub-Funds.*

## DIRECTORS' REPORT

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The board of directors (the "Board"/ the "Directors") present, herewith, their annual report and audited financial statements for Brandes Investment Funds plc (the "Fund") for the financial year ended 31 December 2019 and comparatives for the financial year ended 31 December 2018.

The Fund is organised in the form of an open-ended umbrella fund with four Sub-Funds, Brandes Global Value Fund, Brandes European Value Fund, Brandes U.S. Value Fund and Brandes Emerging Markets Value Fund (the "Sub-Funds") in existence at the financial year end.

### Principal Activities, Results and Future Developments

A review of the principal activities of the Fund is included in the Letter from Brandes Investment Partners (Europe) Limited (the "Manager").

Details of the state of affairs of the Fund and results for the financial year ended 31 December 2019 are set out in the Statement of Financial Position and Statement of Comprehensive Income (see table of contents). The Net Assets of the Fund Attributable to Holders of Redeemable Participating Shares (for shareholder dealing purposes) as at 31 December 2019 were US\$561,481,602 (31 December 2018: US\$819,713,953).

Each Sub-Fund will continue to pursue their investment objective of seeking long-term capital appreciation. Details of each Sub-Fund are set out in the current prospectus of the Fund (the "Prospectus") and supplement related to the Sub-Fund.

### Statement of Directors' Responsibilities in respect of the annual report and the financial statements

The Directors are responsible for overseeing the preparation of the Directors' Report and financial statements, in accordance with applicable Irish law and regulations.

Irish company law requires the Directors to oversee the preparation of the financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

Under Irish company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Fund and of its changes in net assets attributable to holders of redeemable participating shares for that year. In preparing the financial statements, the Directors are required to:

- oversee the selection of suitable accounting policies and ensure that such policies are consistently applied;
- ensure that judgements and estimates applied are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- oversee the use of the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for ensuring that adequate accounting records are kept which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Fund and enable them to ensure that its financial statements comply with the Companies Act 2014, the UCITS Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations"). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Fund. In this regard they have entrusted the assets of the Fund to a depositary for safe-keeping. They are responsible for such internal controls as they determine is reasonably necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' report that complies with the requirements of the Companies Act 2014.

## DIRECTORS' REPORT (Continued)

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### Accounting Records

The Directors are responsible for ensuring that adequate accounting records are maintained by the Fund. To achieve this, the Directors have appointed an experienced fund administrator, State Street Fund Services (Ireland) Limited (the "Administrator") for the purpose of maintaining adequate accounting records for the Fund. The accounting records are located at the offices of the Administrator as stated on page 1.

### Directors

The names of the persons who served as Directors at any time during the financial year ended 31 December 2019 are set out below:

John Mahon*	Irish
Gerald Moloney*	Irish
Oliver Murray	Irish and Canadian
Peter Sandys*	Irish
Dylan Turner	Canadian
Adam Mac Nulty	Irish

\* Independent Non-Executive Director.

### Directors' and Secretary's Interests

As of 31 December 2019, Gerald Moloney, an independent non-executive director held 9,000 (0.13%) shares in the Brandes U.S. Value Fund Euro Class I (31 December 2018: 9,000 (0.16%)) and 4,000 (0.19%) shares in the Brandes Emerging Markets Value Fund Euro Class I (31 December 2018: 4,000 (0.002%)).

No other Directors nor the Secretary who held office during the year ended December 2019 or their respective families held any interest in the shares of the Sub-Fund's at any time during the year ended 31 December 2019.

### Transactions Involving Directors

There are no contracts or arrangements of any significance in relation to the business of the Fund other than those stated in Note 5 and Note 17 to the financial statements, in which the Directors had any interest as defined in the Companies Act 2014 at any time during the financial year ended 31 December 2019.

### Going concern

The Directors have a reasonable expectation that the Fund has adequate resources to continue in operational existence for the foreseeable future. Therefore the Fund continues to adapt the going concern basis of accounting in preparing its financial statements.

### Risk Management Objectives and Policies

The Fund seeks to provide investors with long-term capital appreciation using a strict Graham & Dodd value approach to investing. Details of certain of the investment risks and uncertainties arising from the Fund's financial instruments including market risk (including market price risk, currency risk and to a lesser extent interest rate risk), credit risk and liquidity risk are set out in Note 9 of these financial statements. The Fund assesses its global exposure to financial derivative instruments using the commitment approach.

## DIRECTORS' REPORT (Continued)

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### Dividends

The following dividends were declared for the financial year ended 31 December 2019.

A dividend per share of GBP 0.412646 on the Sterling Class I1 Shares of Brandes Global Value Fund was declared on 2 January 2020 in respect of the period from 1 January 2019 to 31 December 2019. The dividend was paid on 7 January 2020 to shareholders on the register as at the close of business on 2 January 2020. The amount paid in respect of this dividend was GBP 3,048.

A dividend per share of GBP 0.728956 on the Sterling Class A1 Shares of Brandes Global Value Fund was declared on 2 January 2020 in respect of the period from 1 January 2019 to 31 December 2019. The dividend was paid on 7 January 2020 to shareholders on the register as at the close of business on 2 January 2020. The amount paid in respect of this dividend was GBP 1.

A dividend per share of GBP 0.343874 on the Sterling Class I1 Shares of Brandes European Value Fund was declared on 2 January 2020 in respect of the period from 1 January 2019 to 31 December 2019. The dividend was paid on 7 January 2020 to shareholders on the register as at the close of business on 2 January 2020. The amount paid in respect of this dividend was GBP 5,891.

A dividend per share of EUR 0.230789 on the Euro Class A1 Shares of Brandes European Value Fund was declared 2 January 2020 in respect of the period from 1 January 2019 to 31 December 2019. The dividend was paid on 7 January 2020 to shareholders on the register as at the close of business on 2 January 2020. The amount paid in respect of this dividend was EUR 2,100.

A dividend per share of EUR 0.335006 on the Euro Class I1 Shares of Brandes European Value Fund was declared on 2 January 2020 in respect of the period from 1 January 2019 to 31 December 2019. The dividend was paid on 7 January 2020 to shareholders on the register as at the close of business on 2 January 2020. The amount paid in respect of this dividend was EUR 37,398.

There were no distributions out of capital during the financial year ended 31 December 2019.

The following dividends were declared for the financial year ended 31 December 2018.

A dividend per share of GBP 0.252396 on the Sterling Class I1 Shares of Brandes Global Value Fund was declared on 2 January 2019 in respect of the period from 1 January 2018 to 31 December 2018. The dividend was paid on 7 January 2019 to shareholders on the register as at the close of business on 2 January 2019. The amount paid in respect of this dividend was GBP 1,828.

A dividend per share of GBP 0.461107 on the Sterling Class A1 Shares of Brandes Global Value Fund was declared on 2 January 2019 in respect of the period from 1 January 2018 to 31 December 2018. The dividend was paid on 7 January 2019 to shareholders on the register as at the close of business on 2 January 2019. The amount paid in respect of this dividend was GBP 1.

A dividend per share of GBP 0.304830 on the Sterling Class I1 Shares of Brandes European Value Fund was declared on 2 January 2019 in respect of the period from 1 January 2018 to 31 December 2018. The dividend was paid on 7 January 2019 to shareholders on the register as at the close of business on 2 January 2019. The amount paid in respect of this dividend was GBP 174,027.

A dividend per share of EUR 0.151170 on the Euro Class A1 Shares of Brandes European Value Fund was declared on 2 January 2019 in respect of the period from 1 January 2018 to 31 December 2018. The dividend was paid on 7 January 2019 to shareholders on the register as at the close of business on 2 January 2019. The amount paid in respect of this dividend was EUR 6,511.

A dividend per share of EUR 0.279829 on the Euro Class I1 Shares of Brandes European Value Fund was declared on 2 January 2019 in respect of the period from 1 January 2018 to 31 December 2018. The dividend was paid on 7 January 2019 to shareholders on the register as at the close of business on 2 January 2019. The amount paid in respect of this dividend was EUR 22,702.

## DIRECTORS' REPORT (Continued)

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### Significant Events Affecting the Fund During the Financial Year

On 3 October 2019 the Fund's Prospectus was issued which included, inter alia, the following updates:

- change to the Brandes U.S. Value Fund investment policy to reflect that the Sub-Fund will invest generally in equity securities of companies that have market capitalisations greater than US\$ 5 billion (previously US\$ 1 billion), at the time of purchase.
- include additional disclosure in the investment policies of the Brandes Global Value Fund and the Brandes Emerging Markets Fund to make it clear that each Sub-Fund may invest in China A shares listed on Shanghai Stock Exchange via the Shanghai-Hong Kong Stock Connect or Shenzhen Stock Exchange via the Shenzhen-Hong Kong Stock Connect (up to 5% and 10% of its net asset value respectively);

There have been no other significant events affecting the Fund during the financial year.

### Principal Material Changes

During the financial year ended 31 December 2019 there were no material changes in the investment objective in the Prospectus or key service providers of the Fund.

### Events Since the Financial Year End

Certain impacts to public health conditions particular to the coronavirus (COVID-19) outbreak that occurred subsequent to year end may have a significant impact on the operations and profitability of the Fund and its Sub-Funds. The extent of the impact to the financial performance of the Fund and its Sub-Funds will depend on future developments, including (i) the duration and spread of the outbreak, (ii) the restrictions and advisories, (iii) the effects on the financial markets, and (iv) the effects on the economy overall, all of which are highly uncertain and cannot be predicted.

There have been no other significant events affecting the Fund since the year end impacting on these financial statements.

### Provision for Litigation

The Brandes U.S. Value Fund, a sub-fund of the Fund, is a named defendant, along with thousands of other entities and individuals, in a claim brought by creditors of a U.S. company, Tribune Company, in connection with the tendering or converting of shares of such company in a leveraged buyout. This multi-district proceeding, consisting of two main consolidated actions (the "Committee Action" and the "Individual Creditor Action"), commenced in November 2010 and is currently at the pleadings stage. On January 17, 2017, the trial judge in the Southern District of New York granted the shareholder defendants' motion to dismiss Count 1 of the Fifth Amended Complaint in the Committee Action, which was the primary claim against the non-insider shareholder defendants in the Committee Action. It is uncertain whether appellate review will be sought, although on February 13, 2017 the trial judge issued an order at plaintiff's request indicating he would certify his ruling for an interlocutory appeal pending resolution of other motions to dismiss. On April 23, 2019, the trial judge denied the plaintiff trustee's request to amend the complaint to state an alternative claim against the shareholder defendants, and thus, claims against the non-insider shareholder defendants remain dismissed, pending any appellate remedies. In the Individual Creditor Action, the U.S. Second Circuit Court of Appeals previously affirmed the trial court's dismissal of certain state law claims as pre-empted by the U.S. federal bankruptcy laws. The plaintiffs have filed a writ of certiorari with the United States Supreme Court challenging the dismissal, which was opposed, and is still pending. A stay of most discovery remains in effect and no trial date has been set.

The Brandes U.S. Value Fund had approximately 23,517 such shares repurchased by this company in 2007 for total proceeds of approximately US\$799,578. It is too soon to predict the outcome, but the Manager expects that any claims against the Brandes U.S. Value Fund will continue to be contested.

### Corporate Governance

The Board voluntarily adopted the Corporate Governance Code for (Irish Domiciled) Collective Investment Schemes and Management Companies as published by the Irish Funds (the "IF Code") which came into effect on 1 January 2012, the text of which is available from the IF website, <http://www.irishfunds.ie>. The Board has assessed the measures included in the IF Code as being consistent with its corporate governance practices and procedures for the financial year ended 31 December 2019. Each of the service providers engaged by the Fund is subject to their own corporate governance requirements. The Fund has been in compliance with the IF Code during the year ended 31 December 2019.



## **DIRECTORS' REPORT (Continued)**

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### **Potential Implications of Brexit**

In a referendum held on 23 June 2016, the United Kingdom ("UK") voted to leave the European Union ("EU"). On 31 January 2020 the UK formally withdrew and ceased being a member of the EU and entered a transition period which is due to end on 31 December 2020. During this period, most EU rules will still apply to the UK. The extent of the impact following the transition period will depend in part upon the nature of the arrangements that are negotiated between the UK and the EU following the eventual Brexit deal, and the extent to which the UK continues to apply laws based on EU legislation. The longer term process to implement the political, economic and legal framework that is agreed between the UK and the EU is likely to lead to continuing uncertainty and may lead to periods of exacerbated volatility in both the UK and in wider European markets.

### **Audit Committee**

The Fund has decided that there is no requirement to form an audit committee. Given the size and internal organisation of the Fund, the nature, scope and complexity of the Fund's activities and the existing processes and procedures adopted by the Fund, the Board does not consider that an audit committee is required for the purposes of Section 167 of the Companies Act 2014.

### **Connected Persons**

Regulation 43(1) of the Central Bank UCITS Regulations states that "a responsible person shall ensure that any transaction between a UCITS and a connected person is: a) conducted at arm's length; and b) in the best interest of the unit-holders of the UCITS".

As required under Regulation 81(4) of the Central Bank UCITS Regulations the Directors are satisfied that there are in place arrangements, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 43(1) are applied to all transactions with a connected party; and all transactions with a connected parties that were entered into during the financial period to which the report relates complied with the obligations that are prescribed by Regulation 43(1).

### **Political Donations**

There were no political donations made by the Fund during the financial year ended 31 December 2019.

### **Relevant Audit Information**

The Directors confirm that as at the date of this report, so far as the Directors are aware: (i) there is no relevant audit information of which the Fund's auditors are unaware; and (ii) the Directors have taken all the steps that they ought to have been taken as directors in order to make themselves aware of any relevant audit information and to establish that the Fund's auditors are aware of that information.

## DIRECTORS' REPORT (Continued)

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### Independent Auditor

The independent auditor, KPMG Ireland has indicated its willingness to continue to act as the Fund's auditor in accordance with Section 383(2) of the Companies Act 2014.

### Directors Compliance Statement

The Directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Fund's compliance with its relevant obligations (as defined in the Companies Act 2014).

The Directors confirm that:

- (a) a compliance policy statement has been drawn up setting out the Fund's policies that in their opinion are appropriate with regard to such compliance;
- (b) appropriate arrangements and structures have been put in place that, in their opinion, are designed to provide reasonable assurance of compliance in all material respects with those relevant obligations; and
- (c) a review has been conducted, during the financial year, of those arrangements and structures.

In discharging their responsibilities under Section 225, the Directors relied upon, among other things, the service provided, advice and/or representations from third parties whom the Directors believe have the requisite knowledge and experience in order to secure material compliance with the Fund's relevant obligations.

On behalf of the Board:

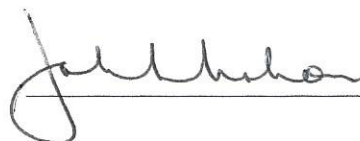
Director:



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2 April 2020

Director



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2 April 2020

## DEPOSITARY REPORT

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We have enquired into the conduct of Brandes Investment Funds plc (the “Fund”) for the financial year ended 31 December 2019, in our capacity as depositary to the Fund.

This report including the opinion has been prepared for and solely for the shareholders in the Fund, in accordance with Regulation 34, (1), (3) and (4) in Part 5 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, (the “UCITS Regulations”), and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

### Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34, (1), (3) and (4) in Part 5 of the UCITS Regulations. One of those duties is to enquire into the conduct of the Fund in each annual accounting year and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Fund has been managed in that year in accordance with the provisions of the Fund’s constitution and the UCITS Regulations. It is the overall responsibility of the Fund to comply with these provisions. If the Fund has not so complied, we as depositary must state why this is the case and outline the steps which we have taken to rectify the situation.

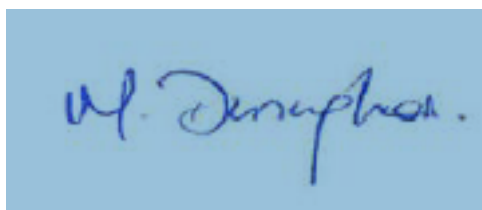
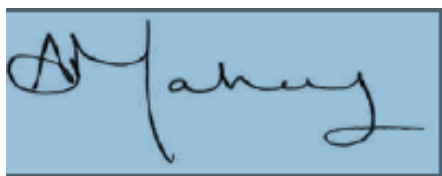
### Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Regulation 34, (1), (3) and (4) in Part 5 of the UCITS Regulations as well as Part 12 of the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 as amended (the “Central Bank UCITS Regulations”) and to ensure that, in all material respects, the Fund has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of the Fund’s constitution and the UCITS Regulations and (ii) otherwise in accordance with the Fund’s constitutional documentation and the appropriate regulations.

### Opinion

In our opinion, the Fund has been managed during the year, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Fund by the constitution, the UCITS Regulations and the Central Bank UCITS Regulations; and
- (ii) otherwise in accordance with the provisions of the constitution, the UCITS Regulations and the Central Bank UCITS Regulations.



**State Street Custodial Services (Ireland) Limited**  
78 Sir John Rogerson’s Quay  
Dublin 2  
Ireland

2 April 2020

## LETTER FROM THE MANAGER

Dear Shareholders,

This Letter from the Manager was written as at 31 December 2019 before the impacts of the COVID-19 pandemic became apparent. Please bear this in mind when reading the letter. To reflect the current state of the world we have included the following preamble:

### Recent Events

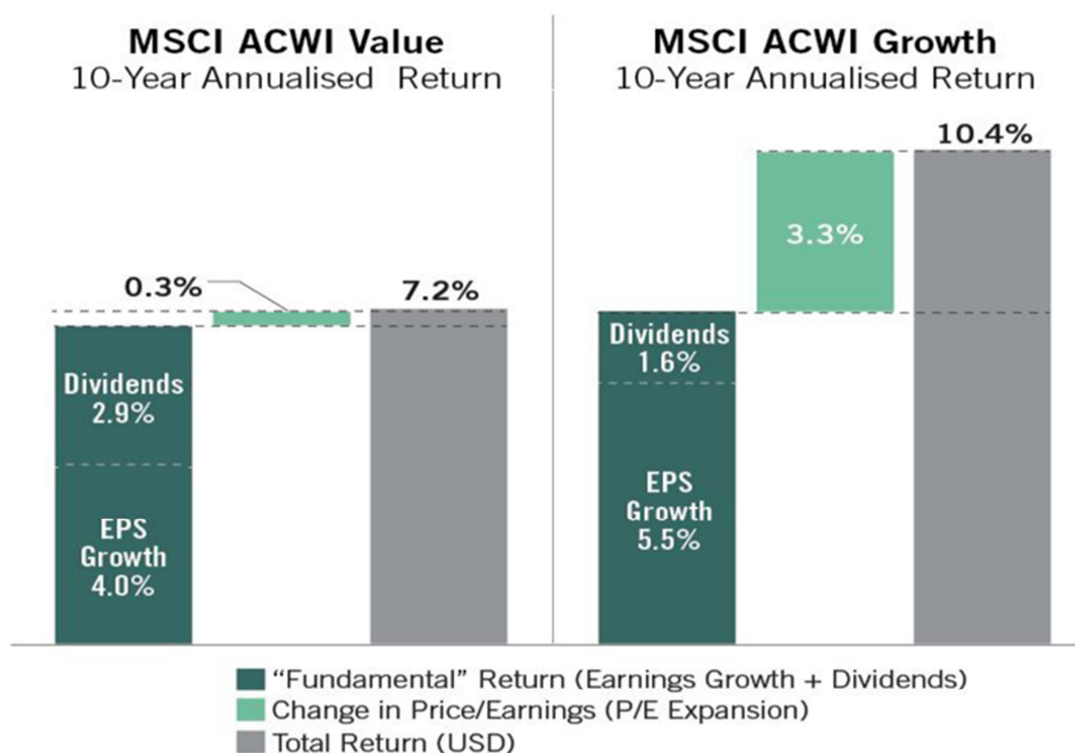
The respiratory illness COVID-19 caused by a novel coronavirus has resulted in a global pandemic and major disruption to economies and markets around the world. Financial markets have experienced extreme volatility and severe losses, and trading in many instruments has been disrupted. Liquidity for many instruments has been greatly reduced for periods of time. Some interest rates are very low and in some cases yields are negative. Some sectors of the economy and individual issuers have experienced particularly large losses. These circumstances may continue for an extended period of time, and may continue to affect adversely the value and liquidity of investments. The ultimate economic fallout from the pandemic, and the long-term impact on economies, markets, industries and individual issuers, are not known. Governments and central banks have taken extraordinary and unprecedented actions to support local and global economies and the financial markets. The impact of these measures, and whether they will be effective to mitigate the economic and market disruption, will not be known for some time.

### Letter from the Manager related to the year ended 31 December 2019

As we embark on a new decade, we are humbled by the fact that value stocks have underperformed their growth counterparts for most of the previous decade. During 2019, many parts of the market appeared to exhibit a significant disconnect between company fundamentals and stock price performance. In our experience, this can happen at times but usually when the market is frothy or as a bubble is building.

A clear lesson we have learned from the last ten years is that while the relationship between fundamentals and price has always mattered in the long run, the market can essentially ignore value and price for an extended period. As such, we will make no attempt to suggest if and when value stocks will start outperforming growth stocks. However, we will argue for our Shareholders to be cautious and consider the benefits of investing style diversification.

For the ten years ending December 31, 2019, the MSCI ACWI Value Index underperformed the MSCI ACWI Growth Index by over 300 basis points. To better understand how this performance gap was derived, we analysed their return contributions. We noted that the value index had, as expected, higher dividends and lower earnings per share growth than the growth index. However, the valuation multiple (price/earnings or P/E) remained fairly stable for the value index during the period, while it expanded for the growth index. In fact, P/E expansion, contributed to over 30% of MSCI ACWI Growth's return over the last 10 years, and the P/E divergence between the value and growth indices was the major driver for their return difference. P/E expansion occurs when stock prices rise without a corresponding increase in company earnings or when company earnings decrease while stock prices remain relatively unchanged; it indicates that investors are willing to pay a higher price for a dollar of earnings.



Source: MSCI via FactSet, for 10 years ending December 31, 2019. 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.

## LETTER FROM THE MANAGER (Continued)

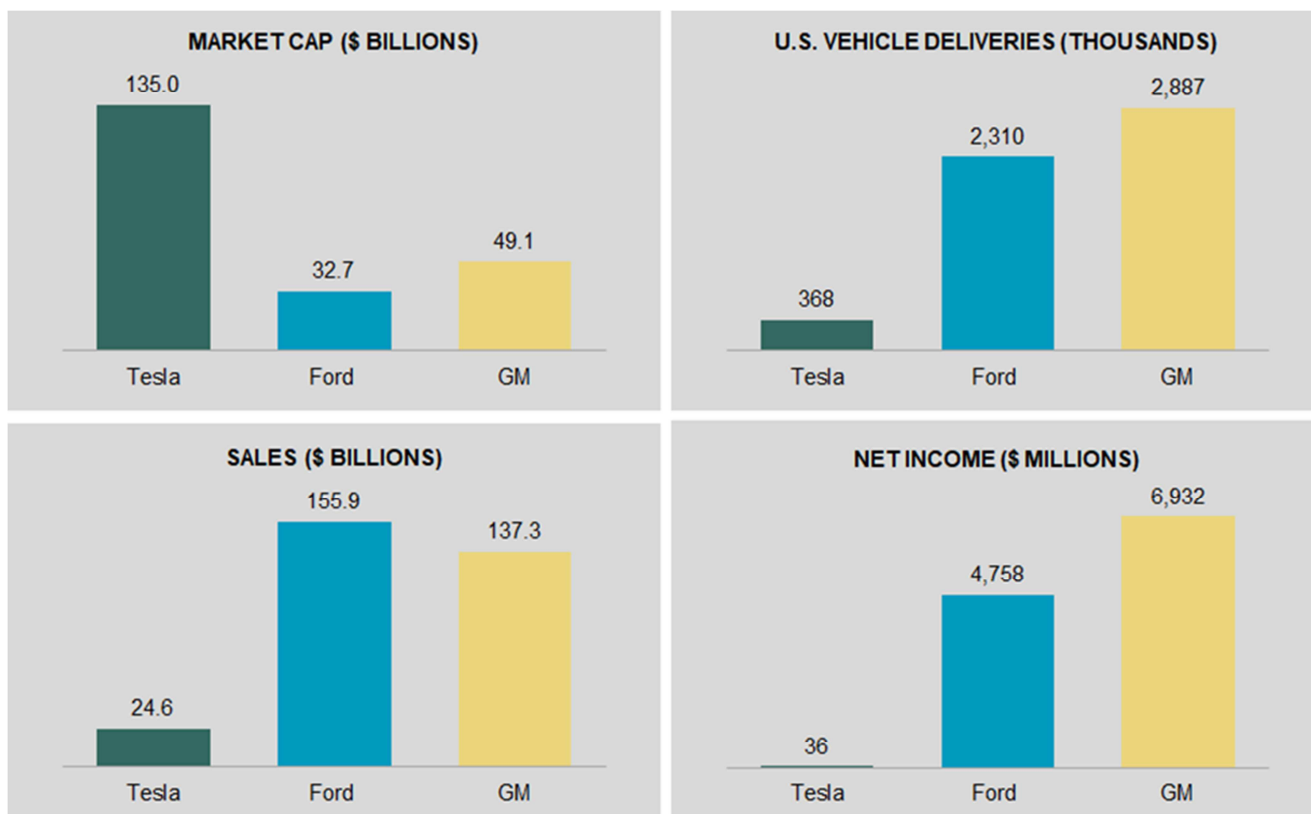
As value stocks have underperformed growth stocks globally over the past decade, so have international stocks which delivered lower returns than U.S. equities (MSCI EAFE Index vs. S&P 500 for the 10 years ending December 31, 2019). As of December 31, 2019, the top five companies by market cap within the global equity market (as measured by the MSCI ACWI Index) were U.S.-based, tech-related businesses (i.e., Apple, Microsoft, Amazon.com, Facebook and Alphabet). These companies, which were also the index's top return drivers for 2019, added over \$1.5 trillion in market capitalisation in aggregate for the year.<sup>1</sup> Within the U.S. market (as represented by the S&P 500 Index), return for 2019 resulted overwhelmingly from P/E multiple expansion (90% of the index's price return).<sup>2</sup> This, in our opinion, highlights how price appreciation became decoupled from fundamentals (e.g., earnings growth) in 2019.

The current market environment reminds us of the technology bubble that formed in the late 1990s. Back then, for many technology stocks, price decoupled from fundamentals and “pesky” things like profits, earnings per share and so on were shunned in favour of new metrics such as “eyeballs on screens”. Yes, things are different today, but we wonder if 20 years from now we will be quoting terms like “space as a service” or “starters, watchers and completers” and other such terms as evidence of hubris from the late 2010s.

As was the case in the 1990s, we are reminded of a basic but important lesson from Benjamin Graham. In *The Intelligent Investor*, Graham devoted the entire first chapter to teaching the difference between investing and speculation. He cautioned against speculation since it is no different to games of chance where the outcome is entirely random. As with games of chance, one can have an extended lucky streak but inevitably, the lucky streak ends. Graham defined investing as something altogether different. For him, investing was based on studying fundamentals, seeking a margin of safety and putting the odds of success in your favour. For Graham and many of his disciples, while they might like a particular high-flying business (and may even own their product), as investors and not speculators, they stand aside and invest elsewhere where the fundamentals are more compelling.

Let's look at a real life example—the global automobile industry. The industry is going through massive disruption with the growth of electric vehicles and ride sharing as well as the promise of driverless cars. Such disruption is understandably causing analysts to question long-held norms on how to value businesses in the industry. New and exciting entrants have shaken up the market irrevocably.

Recently, there have been numerous articles announcing that the market capitalisation of Tesla has just exceeded that of Ford and GM combined. But, when we looked at the fundamental metrics of these companies, we observed an interesting point.



Source: FactSet, Company Financial Statements as of December 31, 2019.

## LETTER FROM THE MANAGER (Continued)

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As these charts suggest, Tesla saw its market cap increase despite its considerably lower output in vehicle deliveries, sales and profitability compared to both Ford and GM. While we acknowledge that it's entirely possible that in the fullness of time, Tesla may become the dominant global car company (and if that's the case, the current price may be justified), we believe its current share price implies a level of optimism that is not backed up by fundamentals. Accordingly, we can't help but to be reminded of Benjamin Graham's urging to understand the difference between speculation and investment.

We mentioned that we have been humbled by how long value stocks have underperformed growth stocks. Many industry pundits have written on why this might continue for the foreseeable future—low interest rates for longer being one of the oft-cited reasons. Nevertheless, we don't think that the current disconnect between fundamentals and price appreciation can or will persist. A variety of academic studies has shown that over the long term, returns have largely been driven by earnings growth and dividends, while valuation change has historically had a minimal impact. This is why we argue for investing style diversification—especially at this point in the cycle.

At the time of writing this letter, markets appear to be reaching new highs almost daily and we are reminded of a quote from the legendary investor Barton Biggs, "there is no asset class too much money can't spoil."<sup>3</sup> We fear that we are heading into, if not already in, this territory.

One way to navigate this territory is to seek proper diversification. In recent years, inflows have been primarily concentrated in a few areas (or a combination thereof), namely passive, U.S.-biased, growth-oriented and large-cap tilted funds. In 2019:<sup>4</sup>

- Passively managed funds gained \$224bn inflows, while actively managed funds lost \$261bn.
- Large-cap funds received \$4bn, while small-cap funds experienced a \$45bn outflow.
- Assets under management (AUM) invested in U.S. companies stood at \$9.4tn, almost triple of that in non-U.S. companies despite international equities making up the majority of global investment universe (as of December 31, 2019).
- AUM in growth-focused funds exceeded that in valued-focused funds (\$3.1tn vs. \$2tn as of December 31, 2019).

Therefore, we recommend taking a fresh look at actively managed, value-focused strategies across the capitalisation spectrum, particularly outside of the United States, where select businesses exhibit more compelling fundamentals, in our opinion, than many of the companies currently driving the markets to new highs.

Thank you,

**Brandes Investment Partners (Europe) Limited**

***Please see important disclosure information on pages 78-79.***

<sup>1</sup> Source: MSCI via FactSet as of December 31, 2019.

<sup>2</sup> Source: Credit Suisse "Return Decomposition Monthly" published January 3, 2020; data as of December 31, 2019.

<sup>3</sup> Source: CFA Magazine; July-August 2006.

<sup>4</sup> Source: Morningstar as of December 31, 2019. Universe: Morningstar category U.S. Open-End Funds and ETFs.

Benchmarks - any references to indicative benchmarks throughout the course of this report are for illustrative purposes only. There is no guarantee that the Sub-Funds will outperform the benchmarks.



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## **INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF BRANDES INVESTMENT FUNDS PLC**

### **Report on the audit of the financial statements**

#### ***Opinion***

We have audited the English language version of the financial statements of Brandes Investment Funds plc ('the Fund') for the year ended 31 December 2019 which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Net Assets and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102").

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Fund as at 31 December 2019 and of its changes in net assets attributable to holders to redeemable participating shares for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019.

#### ***Basis for opinion***

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Fund in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority ("IAASA"), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***We have nothing to report on going concern***

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

#### ***Other information***

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Directors' report, Depositary report, Letter from the manager, Manager's report, Portfolio changes and Appendices. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information, we report that:

- we have not identified material misstatements in the Directors' Report;
- in our opinion, the information given in the Directors' report is consistent with the financial statements;
- in our opinion, the Directors' Report has been prepared in accordance with the Companies Act 2014.

## INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF BRANDES INVESTMENT FUNDS PLC

### Report on the audit of the financial statements (*continued*)

#### *Opinions on other matters prescribed by the Companies Act 2014*

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Fund were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

#### *Matters on which we are required to report by exception*

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

### Respective responsibilities and restrictions on use

#### *Responsibilities of Directors for the financial statements*

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

#### *Auditor's responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at [https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

#### *The purpose of our audit work and to whom we owe our responsibilities*

Our report is made solely to the Fund's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Fund's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Brian Medjaou  
for and on behalf of  
**KPMG**

**Chartered Accountants, Statutory Audit Firm**  
1 Harbourmaster Place  
IFSC  
Dublin 1  
Ireland

10 April 2020



**MANAGER'S REPORT**

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The Brandes Global Value Fund (the “Sub-Fund”) US Dollar Class I Shares rose 17.80% in the 12 months ended 31 December 2019, underperforming the MSCI World Index, which gained 27.67%.

Last year was one of the best-performing years for the MSCI World index in the past two decades. So while absolute performance for the Sub-Fund’s was strong, it underperformed the MSCI World Index in 2019.

From a country perspective, the most prominent detractors were certain investments in the United Kingdom, as well as the Sub-Fund’s underweight to the United States. The U.S. market within the MSCI World Index rose by more than 30% year to date, while the U.K. market within the index was up just over 20%. Companies that diminished performance included Imperial Brands in the United Kingdom and Pfizer in the United States.

From a sector viewpoint, the most notable laggards were consumer sector stocks, as well as the Sub-Fund’s holdings and underweight to technology; the latter’s index performance rose almost 50% in 2019 and overtook financials to become the largest sector in the index. The most significant detractor in the technology sector was Finnish communications equipment company Nokia.

On an individual company basis, Embraer, Nissan and Publicis all declined and reduced overall returns. Communications equipment company Nokia was a major detractor after announcing a lower outlook for 2020 as it must increase spending to better compete in the 5G mobile network rollout. Accordingly, the company cut its dividend, and stated that it doesn’t expect earnings to increase until 2021. While these events were clearly disappointing, in our opinion, the company still offers an attractive margin of safety, as we believe a recovery in earnings will occur, albeit later than we anticipated given the current challenges.

Primary positive contributors to overall returns included U.S. financial firms Citigroup and Bank of America, both up over 45%. Other contributors included European holdings Schneider Electric, GlaxoSmithKline and NXP Semiconductor, as well as emerging markets holdings Gazprom and Fibra Uno.

We initiated positions in U.S.-based pharmacy chain CVS, oil service company Halliburton and delivery service FedEx.

We have followed FedEx for well over a decade. We recently initiated a position on behalf of the Sub-Fund after its share price decline when it missed earnings estimates and lowered its short-term guidance amid slowing growth expectations and concerns about increased capital expenditures. Additionally, the integration of freight company TNT, which FedEx acquired in 2016, is going slower than the market had hoped.

During the past few years, the market has fretted about the impact of Amazon’s entry into shipping and delivery services. However, Amazon accounted for less than 3% of FedEx’s revenues because Amazon relies primarily on the United States Postal Service and other carriers for “last mile” deliveries. We recognise that FedEx’s future growth and profitability may be inhibited if Amazon expands into widespread delivery services. However, we believe that many of Amazon’s competitors will be reluctant to ship with it, and much time and investment will be needed for Amazon to develop the last-mile global networks FedEx has spent decades cultivating.

Though concerns about the competitive environment are valid, the market’s reaction was excessive in our opinion as we believe FedEx should eventually realise benefits from its TNT integration and capitalise on the tailwind of e-commerce growth.

We exited positions selling Russia-based integrated oil & gas firm Lukoil and U.S.-based Apache.

The Sub-Fund’s initially purchased Lukoil several years ago as we believed that its shares traded at a significant discount to our estimated worth of the company even after accounting for the risks of investing in a Russia-based company. At the time of purchase, Lukoil traded at a significant valuation discount to its integrated oil & gas peers. Moreover, it had some of the lowest enterprise-value multiples relative to proven oil reserves in the world.

Throughout the Sub-Fund’s holding period, there were a variety of concerns about the oil & gas industry and holdings in Russia generally, due to deteriorating global relations and the imposition of sanctions. Despite the oil-price and exchange-rate declines, Lukoil performed strongly, especially on a total-return basis as the company has increased its capital return to shareholders. Following the improvement in the company’s operating results over the last 18 months to Q1 2019, Lukoil’s share price appreciated significantly, reaching our estimate of intrinsic value, and we divested the Sub-Fund’s position.

### **Current Positioning**

As of 31 December 2019, allocations to emerging markets, France and the United Kingdom represented the largest overweight positions versus the MSCI World Index, while the United States and Japan remained the Sub-Fund's largest underweights.

From an industry/sector perspective, the Sub-Fund's key holdings were in financials, health care, energy, and food and staples retailing. It held much lower allocations than the MSCI World Index in industrials, communication services and technology.

Being a global value manager has proved to be challenging over the past decade as international markets have underperformed the United States (MSCI EAFE Index vs. MSCI USA Index), and value stocks have significantly lagged growth (MSCI World Value Index vs. MSCI World Growth Index). This trend was further amplified in 2019 as the strong global equity performance was driven by U.S. companies, in particular large technology corporations such as Apple (up over 85%), Microsoft (up over 55%) and Facebook (up over 55%). Together, these three companies added well over \$1 trillion in market capitalisation in 2019. To better understand the discrepancy between U.S. and international equity market returns, we analysed how these returns were derived and made some interesting observations. For international equity markets overall, earnings growth and dividends have driven returns over the last decade, while the valuation multiple (price-to-earnings or P/E) has contracted. This is a contrast to the U.S. market, where the P/E multiple has expanded.

Within the global equity asset class, we made similar observations when looking at the value and growth parts of the market. For the 10 years ended 31 December 2019, the MSCI World Value Index has underperformed the MSCI World Growth Index by over 300 basis points annualised. In breaking down their returns, we noted that the value index has—as expected—had higher dividends and slightly lower earnings growth than the growth index. However, the valuation multiple (P/E) has contracted for the value index, while it has expanded for the growth index, and this divergence in P/E multiples contributed to more than 100% of the return difference between the two indices over the 10-year period. A variety of academic studies has shown that over the long term, returns have largely been driven by earnings growth and dividends, while valuation change has historically had a minimal impact.

Considering where valuations are today, we are hopeful that the next decade may see a reverse of the trend, both for international vs. U.S. markets and value vs. growth stocks. At year end, global value stocks traded among their largest discount levels (e.g., price-to-earnings, price-to-book) to the overall market in 20 years, thus improving the prospects, in our view, that any valuation change should tilt in favour of value. If this were to happen, we believe the Sub-Fund is well positioned given our value process and philosophy, as well as our historical tendency to do even better than the MSCI World's value index whenever it outperformed the MSCI World's broad index.

We remain confident in the Sub-Fund's portfolio's meaningful exposure to value stocks, especially in comparison to both the broad and value-based indices (MSCI World Index and MSCI World Value Index). We understand it has been challenging for our shareholders to stay the course in the face of relatively difficult value performance given the strong performance of growth stocks and U.S. markets. However, our 45 years of investing experience indicate that periods such as the one we are in now have often preceded years of strong relative returns that have benefited the portfolios that maintain exposure to global value equities.

Basis Point: 1/100 of 1%.

Dividend Yield: Dividends per share divided by price per share.

Price/Book: Price per share divided by book value per share.

Price/Earnings: Price per share divided by earnings per share.

Margin of Safety: The discount of a security's market price to what the firm believes is the intrinsic value of that security.

***Please see important disclosures on pages 78-79.***

Benchmarks - any references to indicative benchmarks throughout the course of this report are for illustrative purposes only. There is no guarantee that the Sub-Funds will outperform the benchmarks.

**SCHEDULE OF INVESTMENTS (Unaudited) AS AT 31 DECEMBER 2019**

<b>Investment</b>	<b>Nominal Holding</b>	<b>Market Value‡ US\$</b>	<b>% of Net Assets</b>
<b>EQUITIES</b>			
<b>Austria (1.37%; 31 December 2018: 1.27%)</b>			
Erste Group Bank AG	27,994	1,056,325	1.37
<b>Brazil (2.15%; 31 December 2018: 2.63%)</b>			
Embraer SA	337,700	1,653,787	2.15
<b>Finland (1.15%; 31 December 2018: 2.10%)</b>			
Nokia Oyj	240,386	888,467	1.15
<b>France (12.30%; 31 December 2018: 12.81%)</b>			
Carrefour SA	39,580	663,733	0.86
Engie SA	45,209	729,984	0.95
Engie SA (Prime)	76,000	1,227,162	1.59
Publicis Groupe SA	22,204	1,005,215	1.31
Sanofi	29,125	2,927,188	3.80
Schneider Electric SE	14,829	1,521,983	1.98
TOTAL SA	25,259	1,393,135	1.81
		<b>9,468,400</b>	<b>12.30</b>
<b>Hong Kong (1.11%; 31 December 2018: 1.72%)</b>			
China Mobile Ltd.	101,599	853,362	1.11
<b>Ireland (1.45%; 31 December 2018: 1.02%)</b>			
CRH plc	27,751	1,117,840	1.45
<b>Italy (2.48%; 31 December 2018: 2.47%)</b>			
Eni SpA	74,761	1,165,478	1.52
Telecom Italia SpA Savings Shares	1,208,627	740,221	0.96
		<b>1,905,699</b>	<b>2.48</b>
<b>Japan (2.39%; 31 December 2018: 2.98%)</b>			
Honda Motor Co., Ltd.	37,900	1,080,615	1.40
Nissan Motor Co., Ltd.	130,000	760,941	0.99
		<b>1,841,556</b>	<b>2.39</b>
<b>Malaysia (1.48%; 31 December 2018: 1.54%)</b>			
Genting Bhd	768,000	1,135,900	1.48
<b>Netherlands (1.57%; 31 December 2018: 0.97%)</b>			
NXP Semiconductors NV	9,497	1,208,873	1.57
<b>South Korea (5.51%; 31 December 2018: 5.61%)</b>			
Hyundai Mobis Co., Ltd.	5,158	1,141,812	1.48
Hyundai Motor Co.	11,629	1,206,693	1.57
KT&G Corp.	9,025	732,020	0.95
Samsung Electronics Co., Ltd. Preference Shares	29,556	1,160,312	1.51
		<b>4,240,837</b>	<b>5.51</b>
<b>Spain (1.21%; 31 December 2018: 1.31%)</b>			
Repsol SA	59,553	930,532	1.21
<b>Switzerland (3.98%; 31 December 2018: 4.45%)</b>			
Credit Suisse Group AG	98,359	1,331,373	1.73
Swiss Re AG	1,797	201,833	0.26
UBS Group AG	121,025	1,528,131	1.99
		<b>3,061,337</b>	<b>3.98</b>
<b>United Kingdom (17.55%; 31 December 2018: 18.79%)</b>			
Barclays plc	281,648	670,185	0.87
BP plc	247,896	1,548,560	2.01
GlaxoSmithKline plc	116,713	2,749,680	3.57
HSBC Holdings plc	84,743	664,411	0.86
Imperial Tobacco Group plc	56,853	1,407,497	1.83
J Sainsbury plc	365,298	1,112,426	1.45
Kingfisher plc	391,654	1,125,763	1.46
Marks & Spencer Group plc	206,361	583,593	0.76
Tesco plc	444,436	1,501,185	1.95
WM Morrison Supermarkets plc	260,632	689,776	0.90
WPP plc	103,186	1,457,694	1.89
		<b>13,510,770</b>	<b>17.55</b>

**SCHEDULE OF INVESTMENTS (Unaudited) (Continued) AS AT 31 DECEMBER 2019**

<b>Investment</b>	<b>Nominal Holding</b>	<b>Market Value‡ US\$</b>	<b>% of Net Assets</b>
<b>EQUITIES (Continued)</b>			
<b>United States (35.15%; 31 December 2018: 29.01%)</b>			
American International Group Inc.	22,098	1,134,069	1.47
Bank of America Corp.	50,660	1,783,232	2.32
Bank of New York Mellon Corp.	27,632	1,390,442	1.81
Cardinal Health Inc.	31,557	1,595,837	2.07
Cigna Corp.	6,434	1,314,852	1.71
Citigroup Inc.	33,871	2,705,954	3.52
CVS Health Corp.	16,157	1,199,819	1.56
Emerson Electric Co.	14,571	1,111,039	1.44
FedEx Corp.	5,171	781,700	1.02
Halliburton Co.	45,030	1,101,434	1.43
HCA Healthcare Inc.	6,299	930,677	1.21
Jefferies Financial Group Inc.	35,959	768,444	1.00
Laboratory Corp of America Holdings	4,944	836,030	1.09
McKesson Corp.	13,219	1,827,659	2.37
Merck & Co., Inc.	20,776	1,888,954	2.45
Microsoft Corp.	3,975	625,983	0.81
PepsiCo Inc.	5,121	699,580	0.91
Pfizer Inc.	37,340	1,462,234	1.90
PNC Financial Services Group Inc.	5,314	848,008	1.10
State Street Corp.	16,838	1,331,212	1.73
Wells Fargo & Co.	31,946	1,718,056	2.23
		<b>27,055,215</b>	<b>35.15</b>
<b>TOTAL EQUITIES</b>		<b>69,928,900</b>	<b>90.85</b>
<b>DEPOSITARY RECEIPTS</b>			
<b>Russia (0.47%; 31 December 2018: 2.40%)</b>			
Gazprom PJSC Sponsored ADR	43,852	360,025	0.47
<b>TOTAL DEPOSITARY RECEIPTS</b>		<b>360,025</b>	<b>0.47</b>
<b>REAL ESTATE INVESTMENT TRUSTS “(REIT)”</b>			
<b>Mexico (2.10% ; 31 December 2018: 1.61%)</b>			
Fibra Uno Administracion SA de CV	1,043,094	1,614,775	2.10
<b>TOTAL REAL ESTATE INVESTMENT TRUSTS “(REIT)”</b>		<b>1,614,775</b>	<b>2.10</b>
<b>RIGHTS</b>			
<b>Spain (0.00%; 31 December 2018: 0.03%)</b>			
<b>TOTAL INVESTMENTS</b>		<b>71,903,700</b>	<b>93.42</b>
Other Assets less Liabilities		5,067,657	6.58
<b>TOTAL VALUE OF SUB-FUND AS AT 31 DECEMBER 2019</b>		<b>76,971,357</b>	<b>100.00</b>

All investments are transferable securities admitted to a recognised official stock exchange or regulated market as listed in the Prospectus.

‡ The market values of financial assets are priced at their current bid prices for financial statement purposes, in accordance with FRS 102.

<b>Analysis of Total Assets</b>	<b>% Total Assets</b>
Transferable securities admitted to official stock exchange listing	93.25
Cash and cash equivalents	6.42
Other assets	0.33
<b>Total Assets</b>	<b>100.00</b>

**STATEMENT OF FINANCIAL POSITION**

All amounts are expressed in US\$  
As at 31 December

	<b>Notes</b>	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>			
<i>Financial assets at fair value through profit or loss</i>			
Transferable securities	1(b)	71,903,700	84,014,991
<i>Financial assets at amortised cost</i>			
Cash and cash equivalents	1(d),2	4,946,900	5,709,135
Receivable for shares issued		–	933,869
Dividends and deposit interest income receivable		103,399	222,347
Receivable for securities sold		156,974	–
<b>TOTAL ASSETS</b>		<u>77,110,973</u>	<u>90,880,342</u>
<b>LIABILITIES (AMOUNTS PAYABLE WITHIN ONE FINANCIAL YEAR)</b>			
<i>Financial liabilities at amortised cost</i>			
Bank overdraft	1(d),2	–	(41,227)
Expenses payable		(139,616)	(130,019)
Payable for securities purchased		–	(91,810)
<b>TOTAL LIABILITIES</b>		<u>(139,616)</u>	<u>(263,056)</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FOR FINANCIAL STATEMENT PURPOSES</b>	1(n)	<u>76,971,357</u>	<u>90,617,286</u>

The accompanying notes form an integral part of these financial statements

**STATEMENT OF COMPREHENSIVE INCOME**

All amounts are expressed in US\$

For the financial years ended 31 December

	<b>Notes</b>	<b>2019</b>	<b>2018</b>
<b>INCOME</b>			
Income from financial assets at fair value through profit or loss	1(e)	2,869,799	5,141,127
Other income		951,385	94,943
Interest income	1(e)	96,417	129,731
Stock lending income	16	6,386	-
		<u>3,923,987</u>	<u>5,365,801</u>
<b>NET GAIN/(LOSS) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
	1(b)	12,013,291	(15,940,318)
<b>TOTAL INCOME/(LOSS)</b>		<u>15,937,278</u>	<u>(10,574,517)</u>
<b>EXPENSES</b>			
Management fees	3	(601,544)	(1,182,165)
Operating expenses	4,6	(123,271)	(152,943)
Administration fees	3	(96,784)	(103,108)
Distributor fees	3	(59,705)	(73,049)
Transaction costs	8	(39,172)	(139,361)
Interest expense	1(e)	(19,183)	(16,452)
Depository and trustee fees	3	(18,011)	(47,173)
Directors' fees and insurance	5	(9,712)	(16,763)
<b>TOTAL EXPENSES</b>		<u>(967,382)</u>	<u>(1,731,014)</u>
Withholding tax on dividends	1(e)	(356,145)	(494,331)
<b>NET INCOME/(EXPENSE) BEFORE FINANCE COSTS</b>		14,613,751	(12,799,862)
Finance costs	1(j)	(2,331)	(503,674)
<b>TOTAL INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS FOR THE FINANCIAL YEAR</b>		<u>14,611,420</u>	<u>(13,303,536)</u>

There are no recognised gains or losses arising in the financial year other than those dealt with in the Statement of Comprehensive Income.

In arriving at the results of the financial year, all amounts above relate to continuing operations.

**STATEMENT OF CHANGES IN NET ASSETS**

All amounts are expressed in US\$

For the financial years ended 31 December

	Notes	<u>2019</u>	<u>2018</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE BEGINNING OF THE FINANCIAL YEAR (FOR FINANCIAL STATEMENT PURPOSES)</b>	1(n)	90,617,286	227,167,508
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS FOR THE FINANCIAL YEAR</b>		14,611,420	(13,303,536)
<b>CAPITAL TRANSACTIONS</b>			
Proceeds from shares issued	13	11,120,990	19,737,147
Payments for shares redeemed	13	<u>(39,378,339)</u>	<u>(142,983,833)</u>
		(28,257,349)	(123,246,686)
<b>DECREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FOR THE FINANCIAL YEAR</b>		<u>(13,645,929)</u>	<u>(136,550,222)</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE END OF THE FINANCIAL YEAR FOR FINANCIAL STATEMENT PURPOSES</b>	1(n)	<u>76,971,357</u>	<u>90,617,286</u>

The accompanying notes form an integral part of these financial statements

**MANAGER'S REPORT**

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The Brandes European Value Fund (the "Sub-Fund") Euro Class I Shares increased 17.83% for the year ended 31 December 2019, underperforming the MSCI Europe Index, which rose 26.05%.

A variety of holdings appreciated materially and contributed solid returns, notably the Sub-Fund's holdings in Ireland and Russia. Avadel Pharmaceuticals was the strongest performer, up by more than 190% for the year driven by promising developments for its narcolepsy treatment now in Phase 3 trials. Meanwhile, several of the Sub-Fund's Russian holdings rallied by over 100% each, led by Gazprom and Sistema. Irish holdings CRH and C&C also appreciated substantially.

Other strong contributors included U.K.-based Hyve Group, Tesco, WPP and GlaxoSmithKline, as well as Dutch semiconductor company NXP Semiconductors.

Major detractors for the year were led by De La Rue, Nokia, Publicis, Renault and Carrefour.

Renault's share price dropped after its interim chief executive officer cut its forecast for sales and profit, and stated that the company needed to adjust its strategy amid rising costs to comply with increasing emissions regulations, particularly in Europe, and to continue investing in emerging technology.

From a country point of view, France, the United Kingdom and Switzerland were the largest detractors, with France and the U.K. represented by several of the companies identified above. On a sector basis, industrials, the consumer sectors along with technology were the most significant detractors from overall returns, as per some of the companies already mentioned. Switzerland was one of the best performing markets; however, the Sub-Fund's holdings rose less than the MSCI Europe Index's Swiss constituents did.

New purchases included banks BNP Paribas, Addiko Bank, Bankia and Commerzbank. Additionally, we opened a position in French family-owned cement company Vicat Ciments.

While temporarily levered following an acquisition in Brazil, Vicat has a history of conservative financial management, a diversified global revenue stream, and strong free cash flow generation, which has supported a consistent dividend. Its share price came under pressure in 2019 from challenging conditions in a few of its end-markets, most notably in India where it has encountered increased competition and overcapacity. The company has three-quarters of its installed capacity in emerging markets, but these markets currently only account for about one-third of its EBITDA. Despite these near-term challenges, we believe Vicat is well positioned for long-term growth in emerging markets (and especially in India) because of their demographics and the status of their current housing and infrastructure stock.

We divested from several positions including Swiss pharmaceutical firm Roche, Russia-based Lukoil, Belgium-based D'Ieteren and Irish beverage company C&C Group.

C&C Group is the market leader for hard cider in Ireland and Scotland, and commands about a 30% share of the beer market in Scotland. Beyond its core territories, C&C Group has a presence in England, Wales and North America. We first bought C&C in 2015 as the shares had traded down due to a variety of concerns. Its North American business was quickly losing market share, and profit margins ultimately collapsed. Competition in England was increasing and price deflation in the retail channel was hurting profitability. C&C also made a failed bid for a publicly traded company that owned and operated pubs across the United Kingdom. The acquisition would have doubled its size, and the benefits from that level of vertical integration were questionable. These concerns, while valid, created what we viewed as an investment opportunity.

Since the Sub-Fund's initial investment, C&C Group has avoided transformational deals. Its most recent acquisition was a large independent drinks distributor in the U.K., Matthew Clark Bibendum (MCB). Since taking control, C&C has enhanced MCB's operations and has returned it to profit growth. Beyond its success with MCB, C&C has maintained market position in Ireland and Scotland and stabilised its North American business. The share price increased significantly this year as the company has communicated strong guidance and growth ahead of market expectations; it has applied to be included in the FTSE 250 Index, and its MCB business continues to improve. We sold the Sub-Fund's position as the strong performance led to C&C appreciating to our estimate of its intrinsic value.



### **Current Positioning**

The Sub-Fund's largest overweight positions relative to the MSCI Europe Index were in France, Italy and the United Kingdom. From a sector/industry standpoint, the Sub-Fund was overweight in communication services, energy, and food and staples retailers. The Sub-Fund remained underweight Germany and Switzerland, as well as in the technology and consumer discretionary sectors.

Being a value manager in the European equity space has proved to be challenging over the past decade as European markets have underperformed the United States (MSCI Europe Index vs. MSCI USA Index), and value stocks have significantly lagged growth stocks (MSCI Europe Value Index vs. MSCI Europe Growth Index). This trend was even amplified in 2019 as strong global equity performance was driven by U.S. companies, in particular large technology corporations such as Apple (up over 85%), Microsoft (up over 55%) and Facebook (up over 55%). Together, these three companies added well over \$1 trillion in market capitalisation in 2019.

To better understand the discrepancy between U.S. and European market returns, we analysed how these returns were derived and made some interesting observations. For European markets overall, earnings growth and dividends have driven returns over the last decade, while the valuation multiple (price-to-earnings or P/E) has contracted. This is a contrast to the U.S. market, where the P/E multiple has expanded.

Within the European equity asset class, we made similar observations when looking at the value and growth parts of the market. For the 10 years ended 31 December 2019, the MSCI Europe Value Index has underperformed the MSCI Europe Growth Index by over 400 basis points annualised. In breaking down their returns, we noted that the value index has—as expected—had higher dividends and slightly lower earnings growth than the growth index. However, the valuation multiple (P/E) has contracted for the value index, while it has expanded for the growth index. This divergence in P/E multiples contributed to more than 100% of the return difference between the two indices over the 10-year period. A variety of academic studies has shown that over the long term, returns have largely been driven by earnings growth and dividends, while valuation change has historically had a minimal impact.

Considering where valuations are today, we are hopeful that the next decade may see a reverse of the trend, both for European vs. U.S. markets and value vs. growth stocks. At year end, European equities traded at what we see as attractive discounts to U.S. stocks, while European value stocks traded among their largest discount levels (e.g., price-to-earnings, price-to-book) to the overall European market (MSCI Europe Index) in 20 years, thus improving the prospects in our view, that any valuation change should tilt in favour of value. If this were to happen, we believe the Sub-Fund is well positioned given our value process and philosophy, as well as our historical tendency to do even better than the MSCI Europe's value index whenever it outperformed the MSCI Europe's broad index.

We remain optimistic about the positioning of the Sub-Fund's portfolio as it trades at an attractive discount to MSCI Europe Index while offering a higher dividend yield. Additionally, on average, the Sub-Fund's portfolio holdings are expected (based on consensus estimates) to grow earnings per share at a higher rate than the MSCI Europe Index over the next few years.

Basis Point: 1/100th of 1%.

Cash Flow: The amount of cash generated minus the amount of cash used by a company in a given period.

Dividend Yield: Dividends per share divided by price per share.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortisation.

Free Cash Flow: Total cash flow from operations less capital expenditures.

Price/Book: Price per share divided by book value per share.

Price/Earnings: Price per share divided by earnings per share.

***Please see important disclosures on pages 78-79.***

Benchmarks - any references to indicative benchmarks throughout the course of this report are for illustrative purposes only. There is no guarantee that the Sub-Funds will outperform the benchmarks.

**SCHEDULE OF INVESTMENTS (Unaudited) AS AT 31 DECEMBER 2019**

<b>Investment</b>	<b>Nominal Holding</b>	<b>Market Value‡ EUR</b>	<b>% of Net Assets</b>
<b>EQUITIES</b>			
<b>Austria (1.53%; 31 December 2018: 0.71%)</b>			
Addiko Bank AG	143,649	2,071,419	0.72
Vienna Insurance Group AG Wiener Versicherung Gruppe	92,382	2,355,741	0.81
		<b>4,427,160</b>	<b>1.53</b>
<b>Belgium (0.00%; 31 December 2018: 1.67%)</b>			
<b>Finland (1.10%; 31 December 2018: 2.25%)</b>			
Nokia Oyj	966,787	3,185,563	1.10
<b>France (21.35%; 31 December 2018: 20.63%)</b>			
BNP Paribas SA	52,258	2,760,790	0.95
Carrefour SA	488,341	7,300,698	2.52
Cie de St-Gobain	149,868	5,470,182	1.89
Engie SA	76,577	1,102,326	0.38
Engie SA (Prime)	352,053	5,067,803	1.75
Orange SA	366,048	4,802,550	1.66
Publicis Groupe SA	156,579	6,319,528	2.18
Renault SA	97,195	4,099,685	1.41
Sanofi	115,399	10,339,750	3.57
Savencia SA	34,517	2,105,537	0.72
Schneider Electric SE	37,202	3,403,983	1.17
Societe BIC SA	56,903	3,516,605	1.21
TOTAL SA	72,382	3,559,023	1.23
Vicat SA	51,013	2,048,172	0.71
		<b>61,896,632</b>	<b>21.35</b>
<b>Germany (4.76%; 31 December 2018: 2.43%)</b>			
BASF SE	74,462	5,004,591	1.73
Commerzbank AG	270,007	1,490,439	0.51
Draegerwerk AG & Co KGaA	85,695	3,402,092	1.17
Draegerwerk AG & Co KGaA Preference Shares	5,931	329,171	0.11
GEA Group AG	121,342	3,578,376	1.24
		<b>13,804,669</b>	<b>4.76</b>
<b>Hungary (1.51%; 31 December 2018: 1.96%)</b>			
Magyar Telekom Telecommunications plc	3,239,217	4,365,086	1.51
<b>Ireland (1.46%; 31 December 2018: 2.57%)</b>			
CRH plc	118,004	4,237,610	1.46
<b>Italy (8.57%; 31 December 2018: 9.11%)</b>			
Buzzi Unicem SpA Savings Shares	307,188	4,208,476	1.45
Danieli & C Officine Meccaniche SpA Savings Shares	222,555	2,230,001	0.77
Eni SpA	461,330	6,411,564	2.21
Intesa Sanpaolo SpA	2,139,966	5,033,200	1.74
Telecom Italia SpA Savings Shares	12,741,701	6,956,969	2.40
		<b>24,840,210</b>	<b>8.57</b>
<b>Netherlands (3.22%; 31 December 2018: 3.92%)</b>			
Aegon NV	831,885	3,382,444	1.16
Boskalis Westminster	137,043	3,124,580	1.08
NXP Semiconductors NV	25,009	2,838,010	0.98
		<b>9,345,034</b>	<b>3.22</b>
<b>Russia (2.95%; 31 December 2018: 5.38%)</b>			
Gazprom PJSC	380,178	1,400,253	0.48
Sistema PJSC	10,229,649	2,240,482	0.77
Surgutneftgaz PJSC Preference Shares	9,040,804	4,915,845	1.70
		<b>8,556,580</b>	<b>2.95</b>
<b>Slovenia (0.00%; 31 December 2018: 1.39%)</b>			
<b>Spain (3.85%; 31 December 2018: 3.15%)</b>			
Atresmedia Corp de Medios de Comunicacion SA	837,573	2,916,429	1.00
Bankia SA	1,631,129	3,090,989	1.07
Repsol SA	370,405	5,159,742	1.78
		<b>11,167,160</b>	<b>3.85</b>
<b>Switzerland (6.97%; 31 December 2018: 8.13%)</b>			
Credit Suisse Group AG	512,644	6,186,214	2.13
Swatch Group AG	93,412	4,401,352	1.52
Swiss Re AG	35,009	3,505,476	1.21
UBS Group AG	544,075	6,124,459	2.11
		<b>20,217,501</b>	<b>6.97</b>

**SCHEDULE OF INVESTMENTS (Unaudited) (Continued) AS AT 31 DECEMBER 2019**

Investment	Nominal Holding	Market Value‡ EUR	% of Net Assets
<b>EQUITIES (Continued)</b>			
<b>United Kingdom (32.43%; 31 December 2018: 30.93%)</b>			
Balfour Beatty plc	1,590,689	4,906,438	1.69
Barclays plc	2,551,277	5,412,134	1.87
BP plc	788,077	4,388,846	1.51
Countrywide plc	206,120	815,404	0.28
De La Rue plc	1,730,657	2,910,240	1.00
G4S plc	2,120,588	5,451,583	1.88
GlaxoSmithKline plc	469,676	9,864,715	3.40
HSBC Holdings plc	353,244	2,469,056	0.85
Imperial Tobacco Group plc	211,538	4,668,803	1.61
ITE Group plc	5,185,475	6,221,429	2.15
J Sainsbury plc	2,578,750	7,000,936	2.42
Kingfisher plc	2,337,457	5,989,785	2.07
LSL Property Services plc	975,900	3,157,648	1.09
Marks & Spencer Group plc	2,276,344	5,739,098	1.98
Mitie Group plc	1,721,783	2,907,517	1.00
Premier Foods plc	5,802,481	2,593,507	0.90
Tesco plc	1,915,738	5,768,782	1.99
WM Morrison Supermarkets plc	1,969,989	4,648,011	1.60
WPP plc	598,170	7,533,440	2.60
Yellow Cake plc	660,338	1,567,365	0.54
		<b>94,014,737</b>	<b>32.43</b>
<b>TOTAL EQUITIES</b>		<b>260,057,942</b>	<b>89.70</b>
<b>DEPOSITARY RECEIPTS</b>			
<b>Ireland (1.06%; 31 December 2018: 0.75%)</b>			
Avadel Pharmaceuticals plc Sponsored ADR	458,124	3,075,398	1.06
<b>Slovenia (1.22%; 31 December 2018: 0.00%)</b>			
Nova Ljubljanska Banka DD GDR	292,667	3,529,564	1.22
<b>TOTAL DEPOSITARY RECEIPTS</b>		<b>6,604,962</b>	<b>2.28</b>
<b>REAL ESTATE INVESTMENT TRUSTS “(REIT)”</b>			
<b>Greece (0.00%; 31 December 2018: 0.63%)</b>			
<b>Spain (1.98%; 31 December 2018: 1.55%)</b>			
Lar Espana Real Estate Socimi SA	811,049	5,742,227	1.98
<b>TOTAL REAL ESTATE INVESTMENT TRUSTS “(REIT)”</b>		<b>5,742,227</b>	<b>1.98</b>
<b>RIGHTS</b>			
<b>Spain (0.00%; 31 December 2018: 0.06%)</b>			
<b>CONVERTIBLE SECURITIES</b>			
<b>Germany (0.22%; 31 December 2018: 0.21%)</b>			
Draegerwerk AG & Co KGaA	275,800	628,824	0.22
<b>TOTAL CONVERTIBLE SECURITIES</b>		<b>628,824</b>	<b>0.22</b>

**SCHEDULE OF INVESTMENTS (Unaudited) (Continued) AS AT 31 DECEMBER 2019**

<b>Investment</b>	<b>Nominal Holding</b>	<b>Market Value‡ EUR</b>	<b>% of Net Assets</b>
<b>INVESTMENT FUNDS</b>		<b>273,033,955</b>	<b>94.18</b>
<b>Luxembourg (5.18%; 31 December 2018: 1.98%)</b>			
BNP Paribas InstiCash Fund	108,123	14,998,328	5.18
<b>TOTAL INVESTMENT FUNDS</b>		<b>14,998,328</b>	<b>5.18</b>
<b>TOTAL INVESTMENTS</b>		<b>288,032,283</b>	<b>99.36</b>
Other Assets less Liabilities		1,867,875	0.64
<b>TOTAL VALUE OF SUB-FUND AS AT 31 DECEMBER 2019</b>		<b>289,900,158</b>	<b>100.00</b>

All investments are transferable securities admitted to a recognised official stock exchange or regulated market as listed in the Prospectus.

‡ The market value of financial assets are priced at their current bid prices for financial statement purposes, in accordance with FRS 102.

<b>Analysis of Total Assets</b>	<b>% Total Assets</b>
Transferable securities admitted to official stock exchange listing	99.03
Cash and cash equivalents	0.52
Other assets	0.45
<b>Total Assets</b>	<b>100.00</b>

BRANDES EUROPEAN VALUE FUND  
**STATEMENT OF FINANCIAL POSITION**

All amounts are expressed in EUR  
As at 31 December

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>			
<i>Financial assets at fair value through profit or loss</i>			
Transferable securities	1(b)	288,032,283	508,512,681
<i>Financial assets at amortised cost</i>			
Cash and cash equivalents	1(d),2	1,507,038	2,276,324
Receivable for shares issued		78,019	33,167
Receivable for securities sold		213,639	88,413
Dividends and deposit interest income receivable		1,023,072	1,374,261
<b>TOTAL ASSETS</b>		<u>290,854,051</u>	<u>512,284,846</u>
<b>LIABILITIES (AMOUNTS PAYABLE WITHIN ONE FINANCIAL YEAR)</b>			
<i>Financial liabilities at amortised cost</i>			
Payable for shares redeemed		(393,760)	(26,807)
Expenses payable		(560,133)	(713,538)
<b>TOTAL LIABILITIES</b>		<u>(953,893)</u>	<u>(740,345)</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FOR FINANCIAL STATEMENT PURPOSES</b>			
	1(n)	<u>289,900,158</u>	<u>511,544,501</u>

The accompanying notes form an integral part of these financial statements

**STATEMENT OF COMPREHENSIVE INCOME**

All amounts are expressed in EUR

For the financial years ended 31 December

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>INCOME</b>			
Income from financial assets at fair value through profit or loss	1(e)	22,547,299	22,150,494
Stock lending income	16	129,986	22,361
Interest income	1(e)	42,155	20,074
Other Income		1,378	-
		<u>22,720,818</u>	<u>22,192,929</u>
<b>NET GAIN/(LOSS) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
	1(b)	51,363,353	(77,134,715)
		<u>74,084,171</u>	<u>(54,941,786)</u>
<b>EXPENSES</b>			
Management fees	3	(3,361,504)	(4,364,895)
Operating expenses	4,6	(652,837)	(482,888)
Distributor fees	3	(500,418)	(647,837)
Transaction costs	8	(437,864)	(552,052)
Administration fees	3	(263,059)	(307,834)
Depository and trustee fees	3	(111,336)	(179,915)
Directors' fees and insurance	5	(59,119)	(58,733)
Interest expense	1(e)	-	(17,556)
<b>TOTAL EXPENSES</b>		<u>(5,386,137)</u>	<u>(6,611,710)</u>
Withholding tax on dividends	1(e)	<u>(1,238,054)</u>	<u>(1,001,042)</u>
<b>NET INCOME/(EXPENSE) BEFORE FINANCE COSTS</b>			
Finance costs	1(j)	<u>(222,811)</u>	<u>(172,758)</u>
<b>TOTAL INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS FOR THE FINANCIAL YEAR</b>			
		<u>67,237,169</u>	<u>(62,727,296)</u>

There are no recognised gains or losses arising in the financial year other than those dealt with in the Statement of Comprehensive Income.

In arriving at the results of the financial year, all amounts above relate to continuing operations.

**STATEMENT OF CHANGES IN NET ASSETS**

All amounts are expressed in EUR

For the financial years ended 31 December

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE BEGINNING OF THE FINANCIAL YEAR (FOR FINANCIAL STATEMENT PURPOSES)</b>	1(n)	511,544,501	653,629,979
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS FOR THE FINANCIAL YEAR</b>		67,237,169	(62,727,296)
<b>CAPITAL TRANSACTIONS</b>			
Proceeds from shares issued	13	101,122,210	104,657,522
Payments for shares redeemed	13	<u>(390,003,722)</u>	<u>(184,015,704)</u>
		(288,881,512)	(79,358,182)
<b>DECREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FOR THE FINANCIAL YEAR</b>		<u>(221,644,343)</u>	<u>(142,085,478)</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE END OF THE FINANCIAL YEAR FOR FINANCIAL STATEMENT PURPOSES</b>	1(n)	<u>289,900,158</u>	<u>511,544,501</u>

The accompanying notes form an integral part of these financial statements

**MANAGER'S REPORT**

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For the 12 months ended 31 December 2019, the Brandes U.S. Value Fund (the "Sub-Fund") US Dollar Class I Shares gained 21.92%, underperforming the S&P 500 Index, which rose 31.49%.

The Sub-Fund's solid absolute return fell short of what was one of the S&P 500 Index's strongest annual performances in the last 20 years. The most significant driver of the Sub-Fund's underperformance was its underweight to the technology sector, which was up over 50% (the best-performing sector in the index), and its overweight to the health care sector, which was up "just" over 20% (the second worst-performing sector in the index after energy). The Sub-Fund's holdings in these sectors also slightly underperformed those within the S&P 500 Index, with its technology holdings gaining 32% and its health care positions up 18%.

On an absolute basis, only a few of the Sub-Fund's holdings declined, including Briggs & Stratton and Pfizer, as well as FedEx, which we purchased on behalf of the Sub-Fund during the year. Meanwhile, the Sub-Fund's holdings in Bank of New York Mellon, Omnicom and Cognizant increased, but appreciated less than the overall market (S&P 500 Index), thus hurting relative return.

The most significant contributors included the Sub-Fund's holding in World Fuel Services, a fuel distributor and trader that rose over 100%, and technology stocks Flex and Applied Materials, both of which were up over 65%. Additionally, the Sub-Fund's holdings in the money center banks Citigroup and Bank of America appreciated about 50%. Other strong performers included homebuilders MDC Holdings and Taylor Morrison.

We initiated positions in delivery service FedEx, Halliburton one of the world's largest oilfield services companies, Westlake Chemical, a petrochemical manufacturing company and Ingredion, a leading ingredients provider that is moving increasingly into specialty products.

With its growing exposure to specialty ingredients (e.g., plant-based proteins, sugar alternatives), Ingredion is well positioned to benefit from consumer trends in health and wellness, in our opinion. The stock has declined over a third since the beginning of 2018 as the company lowered guidance several times due to a variety of issues, many of which we believe to be temporary in nature. These included the impact of the U.S.-China trade war, the closure of a mill in order to improve its cost structure and power outages in its manufacturing facilities. Additionally, we feel the market has been overly focused on Ingredion's high-fructose corn syrup, which has seen declining demand in the United States but now only contributes about 15% of the company's profits.

On the positive side, the company's specialty ingredients segment, which offers nearly double the profit margin of the rest of the business, now accounts for half of its profit and has been growing at a healthy rate. We also appreciate Ingredion's strong international presence and its historically appealing free-cash-flow generation and returns on capital. We believe the market is overly concerned with the transitory issues and underappreciates the positive mix-shift taking place at the company, with the resulting low-teens earnings multiple providing an opportunity for us to initiate a position.

We sold positions in Procter & Gamble (P&G), Fabrinet, Fifth Third Bancorp and Apache.

Apache is one of the world's largest exploration and production (E&P) firms with significant reserves in oil, natural gas liquids and natural gas. The Sub-Fund first purchased the company when it was trading at a discount to its adjusted operating assets.

Over the last several years, the business has had weak free-cash-flow generation and divested some assets to pay out dividends and repurchase shares. Additionally, the company has been aggressively cutting back on its international operations in its efforts to focus on its U.S. business. As a result of these divestments, Apache did not grow its reserves and production over the Sub-Fund's holding period.

Although Apache appears to be one of the cheaper E&P companies, we sold the Sub-Fund's position in the stock and reallocated the proceeds to Halliburton, which we feel has similar exposure as Apache but offers a more attractive risk/reward profile.



**MANAGER'S REPORT**

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**Current Positioning**

Being a value manager has proved to be challenging over the past decade as U.S. value stocks have significantly lagged their growth counterparts (MSCI USA Value Index vs. MSCI USA Growth Index). This trend was even amplified in 2019 as large technology companies (an area in which the Sub-Fund maintains a significant underweight vs. the S&P 500 Index) drove the strong market performance. Apple saw its shares appreciate over 85% for the year, while Microsoft and Facebook gained over 55% each. Together, these three companies added well over \$1 trillion in market capitalisation in 2019.

To better understand the return discrepancy between value and growth stocks, we analysed their return attributions and found some interesting observations when comparing the trend for the past decade with that for a longer history of 40 years (ended 31 December 2019).

Over the last 10 years, the value index had higher dividends and lower earnings growth than the growth index. This is consistent with what we saw for the last 40 years. When we looked at the price-to-earnings (P/E) multiple of both indices, however, we found that it has been stagnant for the value index for the past decade, while it has expanded for the growth index. This is a contrast to the 40-year period, in which the value index has experienced a P/E expansion that has overwhelmed its slower earnings growth, while the growth index has seen a P/E contraction despite its stronger earnings growth. This unusual divergence in P/E multiples between the value and growth indices for the past decade contributed to the majority of their return difference (MSCI USA Value Index underperformed MSCI USA Growth Index by over 300 basis points annually for the 10 years ended 31 December 2019).

At year end, value stocks traded near their all-time high discount relative to the market (MSCI USA Index) based on various multiples (e.g., price-to-earnings, price-to-book, etc.). Historically, greater valuation discounts have correlated with strong prospective relative performance. If the trend for value stocks were to improve, we believe the Sub-Fund is well positioned given our value process and philosophy, as well as our historical tendency to do even better than the S&P 500's value index whenever that index outperformed the S&P 500 Index.

Additionally, as passive investing has become more and more popular, the Sub-Fund can potentially be a great complement to investors' passive exposure. Passively managed strategies tend to be more growth- or momentum-oriented (in other words, "anti-value"), and we believe our active, value-focused strategy can provide diversification for investors with predominantly passive exposure.

As of 31 December 2019, the Sub-Fund traded at lower valuations than the S&P 500 Index, while offering a higher dividend yield and strong potential earnings growth over the next few years, based on our analysis. The Sub-Fund held its largest overweight positions in two main areas: the more economically sensitive financials sector and the more defensive health care sector. Meanwhile, it maintained its most significant underweight positions in technology, consumer staples and consumer discretionary.

Even though technology companies made up the Sub-Fund's third-largest weighting after financials and health care, it remained significantly underweight the S&P 500 Index's weighting, which represented that index's largest allocation as of 31 December 2019. With the exception of select companies, we believe the share prices of many technology firms within the S&P 500 Index reflect significant optimism that increases the risk of an investment at today's valuation levels. Interestingly, after the strong performance of the technology sector and the rebalancing of the Russell style indices midyear, the technology sector only accounted for 6% of the Russell 1000 Value Index at year end vs. over 9% at the beginning of the year. As such, the Fund's allocation of approximately 14% to the technology sector now represents a larger overweight relative to the Russell 1000 Value Index (compared to prior to the index's rebalancing).

Basis Point: 1/100 of 1%.

Free Cash Flow: Total cash flow from operations less capital expenditures.

Price/Book: Price per share divided by book value per share.

Price/Earnings: Price per share divided by earnings per share.

Dividend Yield: Dividends per share divided by price per share.

***Please see important disclosures on pages 78-79.***

Benchmarks - any references to indicative benchmarks throughout the course of this report are for illustrative purposes only. There is no guarantee that the Sub-Funds will outperform the benchmarks

**SCHEDULE OF INVESTMENTS (Unaudited) AS AT 31 DECEMBER 2019**

Investment	Nominal Holding	Market Value‡ US\$	% of Net Assets
<b>EQUITIES</b>			
<b>Guernsey (2.50%; 31 December 2018: 1.42%)</b>			
Amdocs Ltd.	44,781	3,230,949	2.50
<b>Ireland (1.05%; 31 December 2018: 0.92%)</b>			
Johnson Controls International plc	33,298	1,354,896	1.05
<b>Singapore (1.48%; 31 December 2018: 1.01%)</b>			
Flex Ltd.	152,019	1,918,480	1.48
<b>United States (85.38%; 31 December 2018: 85.59%)</b>			
Alphabet Inc.	2,220	2,965,232	2.29
AMERCO	4,914	1,846,779	1.43
American International Group Inc.	49,863	2,558,969	1.98
Amgen Inc.	7,027	1,692,804	1.31
Applied Materials Inc.	32,893	2,007,460	1.55
Avnet Inc.	51,616	2,190,583	1.69
Bank of America Corp.	102,835	3,619,792	2.80
Bank of New York Mellon Corp.	58,885	2,963,093	2.29
Briggs & Stratton Corp.	130,100	865,165	0.67
Cardinal Health Inc.	49,455	2,500,939	1.93
Chevron Corp.	14,285	1,720,628	1.33
Cigna Corp.	13,849	2,830,182	2.19
Cisco Systems Inc.	28,666	1,374,535	1.06
Citigroup Inc.	57,572	4,599,427	3.56
Cognizant Technology Solutions Corp.	41,910	2,599,258	2.01
Comcast Corp.	88,728	3,988,324	3.08
CVS Health Corp.	34,356	2,551,277	1.97
Emerson Electric Co.	29,189	2,225,661	1.72
FedEx Corp.	14,195	2,145,858	1.66
Fox Corp.	38,852	1,414,213	1.09
Gilead Sciences Inc.	23,672	1,537,970	1.19
Goldman Sachs Group Inc.	55,779	1,285,706	0.99
Halliburton Co.	92,350	2,258,881	1.75
HCA Healthcare Inc.	12,057	1,781,422	1.38
Ingredion Inc.	15,158	1,408,936	1.09
Jefferies Financial Group Inc.	79,939	1,708,296	1.32
Johnson & Johnson	13,202	1,924,588	1.49
JPMorgan Chase & Co.	16,103	2,244,275	1.74
Laboratory Corp of America Holdings	21,473	3,631,084	2.81
Loews Corp.	23,033	1,208,772	0.93
McKesson Corp.	27,105	3,747,537	2.90
MDC Holdings Inc.	26,314	1,004,143	0.78
Merck & Co., Inc.	48,312	4,392,527	3.40
Microsoft Corp.	10,249	1,614,013	1.25
Morgan Stanley	27,256	615,986	0.48
Old Republic International Corp.	82,753	1,851,185	1.43
Omnicom Group Inc.	40,190	3,255,390	2.52
Oracle Corp.	38,854	2,058,096	1.59
PepsiCo Inc.	8,559	1,169,245	0.90
Pfizer Inc.	83,321	3,262,850	2.52
PNC Financial Services Group Inc.	12,197	1,946,397	1.51
St Joe Co.	71,709	1,421,989	1.10
State Street Corp.	32,797	2,592,931	2.00
Taylor Morrison Home Corp.	110,504	2,415,617	1.87
Truist Financial Corp.	51,369	2,892,075	2.24
US Bancorp	96,145	2,068,079	1.60
Wells Fargo & Co.	68,923	3,706,679	2.87
Westlake Chemical Corp.	20,378	1,429,517	1.11
World Fuel Services Corp.	30,142	1,309,067	1.01
		<b>110,403,432</b>	<b>85.38</b>
<b>TOTAL EQUITIES</b>		<b>116,907,757</b>	<b>90.41</b>

**SCHEDULE OF INVESTMENTS (Unaudited) (Continued) AS AT 31 DECEMBER 2019**

Investment	Nominal Holding	Market Value‡ US\$	% of Net Assets
<b>GOVERNMENT BONDS</b>			
<b>United States (4.41%; 31 December 2018: 5.20%)</b> Zero Coupon Treasury Bill 12/03/2020	5,721,000	5,704,286	4.41
<b>TOTAL GOVERNMENT BONDS</b>		<b>5,704,286</b>	<b>4.41</b>
<b>TOTAL INVESTMENTS</b>		<b>122,612,043</b>	<b>94.82</b>
Other Assets less Liabilities		6,702,038	5.18
<b>TOTAL VALUE OF SUB-FUND AS AT 31 DECEMBER 2019</b>		<b>129,314,081</b>	<b>100.00</b>

All investments are transferable securities admitted to a recognised official stock exchange or regulated market as listed in the Prospectus.

‡ The market value of financial assets are priced at their current bid prices for financial statement purposes, in accordance with FRS 102.

**Analysis of Total Assets**

Transferable securities admitted to official stock exchange listing	94.56
Cash and cash equivalents	5.12
Other assets	0.32
<b>Total Assets</b>	<b>100.00</b>

**STATEMENT OF FINANCIAL POSITION**

All amounts are expressed in US\$

As at 31 December

	<b>Notes</b>	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>			
<i>Financial assets at fair value through profit or loss</i>			
Transferable securities	1(b)	122,612,043	93,821,633
<i>Financial assets at amortised cost</i>			
Cash and cash equivalents	1(d),2	6,635,364	6,531,112
Receivable for shares issued		271,929	88,270
Dividends and deposit interest income receivable		141,670	152,988
Receivable for securities sold		4,474	–
<b>TOTAL ASSETS</b>		<u>129,665,480</u>	<u>100,594,003</u>
<b>LIABILITIES (AMOUNTS PAYABLE WITHIN ONE FINANCIAL YEAR)</b>			
<i>Financial liabilities at amortised cost</i>			
Bank overdraft	1(d),2	–	(2,358,324)
Payable for shares redeemed		(85,448)	(23,888)
Expenses payable		(234,562)	(230,727)
Payable for securities purchased		(31,389)	–
<b>TOTAL LIABILITIES</b>		<u>(351,399)</u>	<u>(2,612,939)</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FOR FINANCIAL STATEMENT PURPOSES</b>	1(n)	<u>129,314,081</u>	<u>97,981,064</u>

The accompanying notes form an integral part of these financial statements

**STATEMENT OF COMPREHENSIVE INCOME**

All amounts are expressed in US\$

For the financial years ended 31 December

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>INCOME</b>			
Income from financial assets at fair value through profit or loss	1(e)	2,787,121	1,723,893
Interest income	1(e)	97,629	50,204
Other income		<u>18,860</u>	<u>1,138</u>
		2,903,610	1,775,235
<b>NET GAIN/(LOSS) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
	1(b)	23,365,732	(6,726,962)
<b>TOTAL INCOME/(LOSS)</b>		<u>26,269,342</u>	<u>(4,951,727)</u>
<b>EXPENSES</b>			
Management fees	3	(895,707)	(606,294)
Distributor fees	3	(471,819)	(537,144)
Operating expenses	4,6	(178,564)	(97,671)
Administration fees	3	(82,749)	(53,420)
Transaction costs	8	(31,309)	(19,769)
Depository and trustee fees	3	(25,090)	(16,956)
Directors' fees and insurance	5	<u>(14,466)</u>	<u>(7,850)</u>
<b>TOTAL EXPENSES</b>		<u>(1,699,704)</u>	<u>(1,339,104)</u>
Withholding tax on dividends	1(e)	<u>(829,030)</u>	<u>(329,502)</u>
<b>TOTAL INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS FOR THE FINANCIAL YEAR</b>		<u>23,740,608</u>	<u>(6,620,333)</u>

There are no recognised gains or losses arising in the financial year other than those dealt with in the Statement of Comprehensive Income.

In arriving at the results of the financial year, all amounts above relate to continuing operations.

The accompanying notes form an integral part of these financial statements

**STATEMENT OF CHANGES IN NET ASSETS**

All amounts are expressed in US\$

For the financial years ended 31 December

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE BEGINNING OF THE FINANCIAL YEAR (FOR FINANCIAL STATEMENT PURPOSES)</b>	1(n)	97,981,064	88,184,143
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS FOR THE FINANCIAL YEAR</b>		23,740,608	(6,620,333)
<b>CAPITAL TRANSACTIONS</b>			
Proceeds from shares issued	13	69,828,386	42,356,501
Payments for shares redeemed	13	<u>(62,235,977)</u>	<u>(25,939,247)</u>
		7,592,409	16,417,254
<b>INCREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FOR THE FINANCIAL YEAR</b>		<u>31,333,017</u>	<u>9,796,921</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE END OF THE FINANCIAL YEAR FOR FINANCIAL STATEMENT PURPOSES</b>	1(n)	<u>129,314,081</u>	<u>97,981,064</u>

The accompanying notes form an integral part of these financial statements

**MANAGER'S REPORT**

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The Brandes Emerging Markets Value Fund (the “Sub-Fund”) US Dollar Class I Shares gained 18.25% for the year ended 31 December 2019, marginally underperforming the MSCI Emerging Markets Index, which rose 18.42%.

Holdings in Russia and Brazil were amongst the performance leaders. Russia-based Sistema, Sberbank, Mobile TeleSystems, X5 Retail Group and Gazprom rose meaningfully, along with Brazilian YDUQS Participacoes, Hapvida Participacoes and Cogna Educação.

Gazprom appreciated significantly after it announced its intention to pay out half of its net income through dividends over the next few years. The market has also become more optimistic on management changes and potential efficiency improvements.

Other solid contributors included Mexican real estate investment trusts Fibra Uno, Fibra Macquarie Mexico and Terrafina. Additionally, Indonesian telecom XL Axiata, Singapore-based electronics manufacturing services business Flex and South Korean auto components company Hyundai Mobis lifted returns.

The Sub-Fund’s underweight allocation to the information technology sector as well as the internet and direct marketing retail industry hurt relative returns for the year. In many ways, the 2019 market environment reminded us of that in 2017, where larger technology-related companies were responsible for much of the market returns. In 2019, six companies accounted for over a third of the MSCI Emerging Markets Index’s return, and five of those six companies were technology-related businesses (i.e., Tencent, Alibaba, Taiwan Semiconductor Manufacturing Co., Samsung and Naspers).

The Sub-Fund’s underweight to China, where a few of its holdings declined for the year, also weighed on relative returns. At the company level, major detractors included Mexican Cemex, Brazil’s Embraer and Spain-based Prosegur Cash.

The Sub-Fund was active during the year, some of the positions we initiated included Shanghai Pharmaceuticals, Taiwan Semiconductor Manufacturing Company (TSMC), Wynn Macau, Alibaba Group and DP World.

DP World generates the majority of its revenue from its port and terminal operations. It owns majority stakes in 39 ports and non-controlling stakes in another 20 ports. Broadly speaking, the company can be broken down in three parts:

- The Jebel Ali Port and its associated free trade zone, from which DP World is estimated to derive one third of its revenue and half of its EBITDA
- All other container terminal operations
- A growing variety of other logistics-related businesses.

In recent years, DP World’s stock has been under pressure due to a number of factors, including geopolitical tensions in the Middle East and concerns about global trade. Dislike of management’s acquisition strategy and worries about competition from a nearby port that has recently gained some volume from Jebel Ali have also contributed to the negative investor sentiment.

We believe the market has overreacted to these concerns, creating a potentially attractive opportunity for a long term-minded investor. Based on our analysis, DP World’s ports generate stable cash flows.

Moreover, as the biggest and busiest port in the Middle East, its Jebel Ali integrated port and free trade zone operations have first mover and network advantages, and we believe the majority of its profitability is insulated from the U.S.-China trade war. From a valuation standpoint, the company traded at just 8x forward earnings at the time of the Sub-Fund’s purchase, its lowest point since the global financial crisis. While further capital allocation missteps are certainly a concern, we think the risk is more than accounted for in its share price.

A few of the positions we exited include Lukoil, Gazprom, Emlak Konut, Akbank and Garanti Bankasi.

Both Garanti Bankasi and Akbank benefited from a number of factors that have improved the political stability in Turkey, including the recent ceasefire in Syria and the waning prospect of sanctions from the United States, as well as the resulting boost to the Turkish lira. Additionally, the decline in Turkey’s inflation and interest rates have been positive for the country’s financial sector. However, significant credit risk exists with the Turkish banks, along with potential future flare-ups in macroeconomic volatility. Given these risks, we felt it was prudent to exit the Sub-Fund’s positions in the fourth quarter.

**MANAGER'S REPORT (Continued)**

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**Current Positioning**

As we have noted over the past year, the Sub-Fund's has undergone a gradual but fairly meaningful transition from a country and sector allocation standpoint. Just a few years ago, the weighting to companies in Brazil almost reached the portfolio maximum of 20% given the significant amount of value potential we were finding in the country. At the end of 2019, the Sub-Fund's had 12.5% allocated to Brazilian companies as many of its holdings there appreciated to our estimates of their intrinsic values, prompting us to exit the positions. Similarly, the Sub-Fund's weighting to Russia decreased over the year as we took profits and sold some of the portfolio's holdings. The share prices of many of the Sub-Fund's Russian holdings rose over the last couple of years thanks to shifting investor sentiment, material free-cash-flow generation, strong returns on invested capital and increased dividend distributions.

We used some of the proceeds from the divestments of the Sub-Fund's holdings in Russia and Brazil to initiate or add to its positions in China and the information technology sector, as valuations for select companies became more attractive to us amid market concerns about the ongoing trade war and its effects on economic growth. The Sub-Fund's allocation to these two areas has nearly doubled over the past two years, although it remained significantly underweight compared to the MSCI Emerging Markets Index as of 31 December 2019. Additionally, unlike the Chinese constituents of the MSCI Emerging Markets Index, which are mostly financial or technology-related businesses, the Sub-Fund's holdings there operate in a diverse set of industries.

In our view, emerging markets continue to be a fertile ground for value investing. With investors seemingly flocking to a small set of the vast investment universe (as indicated by how concentrated the MSCI Emerging Markets Index's return has been), companies with solid fundamentals—but lacking the fanfare many technology-related firms enjoy—tend to be overlooked. We have the diligence and the patience to seek these potentially undervalued opportunities and remain confident in the positioning of the Sub-Fund.

Forward Earnings: Sell-side analysts' consensus earnings estimates for the next fiscal year.

Cash Flow: The amount of cash generated minus the amount of cash used by a company in a given period.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortisation.

***Please see important disclosures on pages 78-79.***

Benchmarks - any references to indicative benchmarks throughout the course of this report are for illustrative purposes only. There is no guarantee that the Sub-Funds will outperform the benchmarks.



**SCHEDULE OF INVESTMENTS (Unaudited) AS AT 31 DECEMBER 2019**

<b>Investment</b>	<b>Nominal Holding</b>	<b>Market Value‡ US\$</b>	<b>% of Net Assets</b>
<b>EQUITIES</b>			
<b>Argentina (0.00%; 31 December 2018: 2.59%)</b>			
<b>Austria (1.01%; 31 December 2018: 0.00%)</b>			
Erste Group Bank AG	7,922	298,929	1.01
<b>Brazil (8.88%; 31 December 2018: 14.27%)</b>			
Cia Brasileira de Distribuicao Preference Shares	22,200	482,388	1.63
Cielo SA	99,700	207,445	0.70
Cogna Educacao	121,500	345,227	1.17
Hapvida Participacoes e Investimentos SA	20,400	324,000	1.10
Petroleo Brasileiro SA Preference Shares	63,300	474,903	1.61
Telefonica Brasil SA Preference Shares	20,400	293,877	1.00
YDUQS Participacoes	41,900	494,026	1.67
		<b>2,621,866</b>	<b>8.88</b>
<b>Chile (1.19%; 31 December 2018: 1.77%)</b>			
Empresa Nacional de Telecomunicaciones SA	30,553	213,520	0.72
Enel Chile SA	1,472,566	138,062	0.47
		<b>351,582</b>	<b>1.19</b>
<b>China (8.41%; 31 December 2018: 5.03%)</b>			
China Construction Bank Corp.	572,000	494,021	1.68
China Railway Signal & Communication Corp., Ltd.	524,000	292,520	0.99
China South Publishing & Media Group Co., Ltd.	34,500	59,137	0.20
Dongfeng Motor Group Co., Ltd.	612,000	575,691	1.95
PetroChina Co., Ltd.	602,000	301,297	1.02
Shanghai Pharmaceuticals Holding Co., Ltd.	226,200	439,494	1.49
TravelSky Technology Ltd.	131,000	319,754	1.08
		<b>2,481,914</b>	<b>8.41</b>
<b>Colombia (1.56%; 31 December 2018: 1.50%)</b>			
Grupo Aval Acciones y Valores SA Preference Shares	1,033,744	459,130	1.56
<b>Czech Republic (0.42%; 31 December 2018: 0.50%)</b>			
O2 Czech Republic AS	11,994	123,008	0.42
<b>Greece (0.45%; 31 December 2018: 0.66%)</b>			
Hellenic Telecommunications Organization SA	8,350	133,468	0.45
<b>Hong Kong (7.02%; 31 December 2018: 10.19%)</b>			
China Mobile Ltd.	117,250	984,820	3.34
First Pacific Co., Ltd.	555,000	188,744	0.64
Genertec Universal Medical Group Co., Ltd.	419,000	316,174	1.07
Lifestyle International Holdings Ltd.	228,000	260,704	0.88
Luk Fook Holdings International Ltd.	112,000	322,678	1.09
		<b>2,073,120</b>	<b>7.02</b>
<b>India (1.01%; 31 December 2018: 1.15%)</b>			
Power Grid Corp of India Ltd.	111,720	298,168	1.01
<b>Indonesia (3.95%; 31 December 2018: 4.17%)</b>			
Bank Rakyat Indonesia Persero Tbk PT	1,643,900	521,027	1.77
Gudang Garam Tbk PT	70,400	268,009	0.91
XL Axiata Tbk PT	1,655,625	375,669	1.27
		<b>1,164,705</b>	<b>3.95</b>
<b>Luxembourg (0.64%; 31 December 2018: 0.61%)</b>			
Adecoagro SA	22,751	190,198	0.64
<b>Macau (1.21%; 31 December 2018: 0.00%)</b>			
Wynn Macau Ltd.	144,400	355,797	1.21
<b>Malaysia (2.05%; 31 December 2018: 2.09%)</b>			
Genting Bhd	408,300	603,891	2.05
<b>Mexico (1.61%; 31 December 2018: 3.17%)</b>			
America Movil SAB de CV	574,104	458,494	1.55
Urbi Desarrollos Urbanos SAB de CV	355,018	16,448	0.06
		<b>474,942</b>	<b>1.61</b>

**SCHEDULE OF INVESTMENTS (Unaudited) (Continued) AS AT 31 DECEMBER 2019**

Investment	Nominal Holding	Market Value‡ US\$	% of Net Assets
<b>EQUITIES (Continued)</b>			
<b>Netherlands (0.00%; 31 December 2018: 1.88%)</b>			
<b>Pakistan (0.00%; 31 December 2018: 0.42%)</b>			
<b>Panama (1.70%; 31 December 2018: 2.50%)</b>			
Banco Latinoamericano de Comercio Exterior SA	12,415	265,184	0.90
Copa Holdings SA	2,202	237,706	0.80
		<u>502,890</u>	<u>1.70</u>
<b>Russia (5.94%; 31 December 2018: 8.61%)</b>			
Mobile TeleSystems PJSC	102,043	526,111	1.78
Sberbank of Russia PJSC	162,525	667,108	2.26
Surgutneftgaz PJSC Preference Shares	917,508	559,600	1.90
		<u>1,752,819</u>	<u>5.94</u>
<b>Singapore (1.66%; 31 December 2018: 1.31%)</b>			
China Yuchai International Ltd.	6,656	88,724	0.30
Flex Ltd.	31,877	402,288	1.36
		<u>491,012</u>	<u>1.66</u>
<b>South Africa (1.51%; 31 December 2018: 1.54%)</b>			
Absa Group Ltd.	41,929	446,053	1.51
<b>South Korea (13.46%; 31 December 2018: 14.20%)</b>			
Hyundai Mobis Co., Ltd.	2,513	556,296	1.89
Hyundai Motor Co. Preference Shares	7,749	480,439	1.63
Kia Motors Corp.	12,642	483,729	1.64
KT&G Corp.	7,853	636,959	2.16
POSCO	3,048	623,332	2.11
S-1 Corp.	2,322	188,137	0.64
Samsung Electronics Co., Ltd.	11,896	573,995	1.94
Shinhan Financial Group Co., Ltd.	11,444	428,983	1.45
		<u>3,971,870</u>	<u>13.46</u>
<b>Spain (1.10%; 31 December 2018: 1.16%)</b>			
Prosegur Cash SA	215,315	323,635	1.10
<b>Taiwan (2.81%; 31 December 2018: 1.49%)</b>			
Asustek Computer Inc.	63,000	486,523	1.65
Taiwan Semiconductor Manufacturing Co., Ltd.	31,000	342,296	1.16
		<u>828,819</u>	<u>2.81</u>
<b>Thailand (2.35%; 31 December 2018: 3.30%)</b>			
Jasmine Broadband Internet Infrastructure Fund	881,454	281,029	0.95
Siam Commercial Bank PCL	106,800	413,598	1.40
		<u>694,627</u>	<u>2.35</u>
<b>Turkey (1.01%; 31 December 2018: 1.61%)</b>			
Ulker Biskuvi Sanayi AS	79,537	298,949	1.01
<b>United Arab Emirates (1.49%; 31 December 2018: 0.00%)</b>			
DP World plc	33,984	438,394	1.49
<b>United Kingdom (2.56%; 31 December 2018: 2.19%)</b>			
Hyve Group plc	321,412	432,554	1.47
Vivo Energy plc	196,577	321,837	1.09
		<u>754,391</u>	<u>2.56</u>
<b>TOTAL EQUITIES</b>		<u><b>22,134,177</b></u>	<u><b>75.00</b></u>
<b>DEPOSITARY RECEIPTS</b>			
<b>Argentina (1.80%; 31 December 2018: 0.00%)</b>			
YPF SA Sponsored ADR	45,829	530,242	1.80
<b>Brazil (3.63%; 31 December 2018: 0.00%)</b>			
Embraer SA Sponsored ADR	54,967	1,071,307	3.63
<b>China (3.83%; 31 December 2018: 0.00%)</b>			
Alibaba Group Holding Ltd. Sponsored ADR	2,270	481,490	1.63
Baidu Inc. Sponsored ADR	2,580	326,086	1.11
ZTO Express Cayman Inc. Sponsored ADR	13,835	322,909	1.09
		<u>1,130,485</u>	<u>3.83</u>

**SCHEDULE OF INVESTMENTS (Unaudited) (Continued) AS AT 31 DECEMBER 2019**

<b>Investment</b>	<b>Nominal Holding</b>	<b>Market Value‡ US\$</b>	<b>% of Net Assets</b>
<b>DEPOSITARY RECEIPTS (Continued)</b>			
<b>Mexico (2.46%; 31 December 2018: 0.00%)</b> Cemex SAB de CV Sponsored ADR	192,355	727,102	2.46
<b>Netherlands (0.78%; 31 December 2018: 0.00%)</b> X5 Retail Group NV GDR	6,641	229,115	0.78
<b>Russia (0.84%; 31 December 2018: 0.00%)</b> Sistema PJSFC GDR	5,947	28,736	0.10
Sistema PJSFC Sponsored GDR	45,592	220,301	0.74
		<b>249,037</b>	<b>0.84</b>
<b>Thailand (0.91%, 31 December 2018: 0.00%)</b> Bangkok Bank PCL NVDR	50,400	268,374	0.91
<b>TOTAL DEPOSITARY RECEIPTS</b>		<b>4,205,662</b>	<b>14.25</b>
<b>REAL ESTATE INVESTMENT TRUSTS ("REIT")</b>			
<b>Mexico (5.36%; 31 December 2018: 5.11%)</b> Fibra Uno Administracion SA de CV	536,506	830,545	2.81
Macquarie Mexico Real Estate Management SA de CV	226,109	293,586	1.00
PLA Administradora Industrial S de RL de CV	278,223	456,016	1.55
		<b>1,580,147</b>	<b>5.36</b>
<b>Turkey (0.00%; 31 December 2018: 1.14%)</b>			
<b>TOTAL REAL ESTATE INVESTMENT TRUSTS ("REIT")</b>		<b>1,580,147</b>	<b>5.36</b>
<b>WARRANTS</b>			
<b>United Kingdom (0.80%; 31 December 2018: 1.08%)</b> HSBC plc	137,870	236,325	0.80
<b>TOTAL WARRANTS</b>		<b>236,325</b>	<b>0.80</b>
<b>TOTAL INVESTMENTS</b>		<b>28,156,311</b>	<b>95.41</b>
Other Assets less Liabilities		1,354,769	4.59
<b>TOTAL VALUE OF SUB-FUND AS AT DECEMBER 2019</b>		<b>29,511,080</b>	<b>100.00</b>

All investments are transferable securities admitted to a recognised official stock exchange or regulated market as listed in the Prospectus.

‡ The market value of financial assets are priced at their current bid prices for financial statement purposes, in accordance with FRS 102.

<b>Analysis of Total Assets</b>	<b>% Total Assets</b>
Transferable securities admitted to official stock exchange listing	94.78
Cash and cash equivalents	5.12
Other assets	0.10
<b>Total Assets</b>	<b>100.00</b>

**STATEMENT OF FINANCIAL POSITION**

All amounts are expressed in US\$

As at 31 December

	<b>Notes</b>	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>			
<i>Financial assets at fair value through profit or loss</i>			
Transferable securities	1(b)	28,156,311	25,950,576
<i>Financial assets at amortised cost</i>			
Cash and cash equivalents	1(d),2	1,521,816	1,284,657
Receivable for shares issued		254	490
Dividends and deposit interest income receivable		28,063	48,205
Expense reimbursement receivable		568	–
<b>TOTAL ASSETS</b>		<u>29,707,012</u>	<u>27,283,928</u>
<b>LIABILITIES (AMOUNTS PAYABLE WITHIN ONE FINANCIAL YEAR)</b>			
<i>Financial liabilities at amortised cost</i>			
Bank overdraft	1(d),2	–	(1,957)
Dividends and deposit interest income payable		(120,884)	(48,227)
Expenses payable		(60,983)	(41,573)
Payable for securities purchased		(14,065)	–
<b>TOTAL LIABILITIES</b>		<u>(195,932)</u>	<u>(91,757)</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FOR FINANCIAL STATEMENT PURPOSES</b>	1(n)	<u>29,511,080</u>	<u>27,192,171</u>

The accompanying notes form an integral part of these financial statements

BRANDES EMERGING MARKETS VALUE FUND  
**STATEMENT OF COMPREHENSIVE INCOME**

All amounts are expressed in US\$

For the financial years ended 31 December

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>INCOME</b>			
Income from financial assets at fair value through profit or loss	1(e)	1,032,121	1,286,619
Other income		199,510	–
Interest income	1(e)	<u>12,332</u>	<u>–</u>
		1,243,963	1,286,619
<b>NET GAIN/(LOSS) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
	1(b)	4,142,971	(6,418,373)
<b>TOTAL INCOME/(LOSS)</b>		<u>5,386,934</u>	<u>(5,131,754)</u>
<b>EXPENSES</b>			
Management fees	3	(226,842)	(311,635)
Operating expenses	4,6	(99,966)	(128,906)
Administration fees	3	(42,004)	(38,983)
Distributor fees	3	(41,136)	(55,487)
Transaction costs	8	(27,298)	(88,886)
Depository and trustee fee	3	(15,272)	(20,212)
Directors' fees and insurance	5	(3,026)	(3,421)
Setup costs		–	(45,780)
Interest expense	1(e)	<u>–</u>	<u>(1,572)</u>
<b>TOTAL EXPENSES</b>		(455,544)	(694,882)
Expense reimbursement	3	47,922	18,015
Withholding tax on dividends	1(e)	(122,485)	(133,714)
Brazilian CGT		<u>(125,505)</u>	<u>(31,910)</u>
<b>TOTAL INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS FOR THE FINANCIAL YEAR</b>		<u>4,731,322</u>	<u>(5,974,245)</u>

There are no recognised gains or losses arising in the financial year other than those dealt with in the Statement of Comprehensive Income.

In arriving at the results of the financial year, all amounts above relate to continuing operations.

The accompanying notes form an integral part of these financial statements

BRANDES EMERGING MARKETS VALUE FUND  
**STATEMENT OF CHANGES IN NET ASSETS**

All amounts are expressed in US\$

For the financial years ended 31 December

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE BEGINNING OF THE FINANCIAL YEAR (FOR FINANCIAL STATEMENT PURPOSES)</b>	1(n)	27,192,171	46,691,260
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS FOR THE FINANCIAL YEAR</b>		4,731,322	(5,974,245)
<b>CAPITAL TRANSACTIONS</b>			
Proceeds from shares issued	13	6,608,293	9,385,651
Payments for shares redeemed	13	<u>(9,020,706)</u>	<u>(22,910,495)</u>
		(2,412,413)	(13,524,844)
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FOR THE FINANCIAL YEAR</b>		<u>2,318,909</u>	<u>(19,499,089)</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE END OF THE FINANCIAL YEAR FOR FINANCIAL STATEMENT PURPOSES</b>	1(n)	<u>29,511,080</u>	<u>27,192,171</u>


The accompanying notes form an integral part of these financial statements

BRANDES INVESTMENT FUNDS PLC  
**AGGREGATE STATEMENT OF FINANCIAL POSITION**

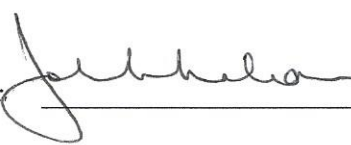
All amounts are expressed in US\$  
 As at 31 December

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>			
<i>Financial assets at fair value through profit or loss</i>			
Transferable securities	1(b)	545,757,854	786,415,436
<i>Financial assets at amortised cost</i>			
Cash and cash equivalents	1(d),2	14,794,524	16,133,002
Dividends and deposit interest income receivable		1,420,712	1,998,098
Receivable for securities sold		401,087	101,300
Receivable for shares issued		359,697	1,060,630
Expense reimbursement receivable		568	-
<b>TOTAL ASSETS</b>		<u>562,734,442</u>	<u>805,708,466</u>
<b>LIABILITIES (AMOUNTS PAYABLE WITHIN ONE FINANCIAL YEAR)</b>			
<i>Financial liabilities at amortised cost</i>			
Bank overdraft	1(d),2	-	(2,401,508)
Payables for securities purchased		(45,454)	(91,810)
Dividends and deposit interest income payable		(120,884)	(48,227)
Payable for shares redeemed		(527,129)	(54,602)
Expenses payable		(1,063,462)	(1,219,855)
<b>TOTAL LIABILITIES</b>		<u>(1,756,929)</u>	<u>(3,816,002)</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FOR FINANCIAL STATEMENT PURPOSES</b>	1(n)	<u>560,977,513</u>	<u>801,892,464</u>

On behalf of the Board:

Director:  \_\_\_\_\_

2 April 2020

Director:  \_\_\_\_\_

2 April 2020

The accompanying notes form an integral part of these financial statements

**AGGREGATE STATEMENT OF COMPREHENSIVE INCOME**

All amounts are expressed in US\$

For the financial years ended 31 December

	<b>Notes</b>	<b>2019</b>	<b>2018</b>
<b>INCOME</b>			
Income from financial assets at fair value through profit or loss	1(e)	31,888,723	34,224,872
Other Income		1,171,298	96,082
Interest income	1(e)	253,492	203,564
Stock lending income	16	151,663	26,321
		<u>33,465,176</u>	<u>34,550,839</u>
<b>NET GAIN/(LOSS) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
	1(b)	96,927,550	(119,880,533)
<b>TOTAL INCOME/(LOSS)</b>		<u>130,392,726</u>	<u>(85,329,694)</u>
<b>EXPENSES</b>			
Management fees	3	(5,481,032)	(7,237,990)
Distributor fees	3	(1,131,945)	(1,428,246)
Operating expenses	4,6	(1,131,438)	(947,925)
Transaction costs	8	(587,152)	(897,834)
Administration fees	3	(515,541)	(557,861)
Depository and trustee fees	3	(182,806)	(296,118)
Directors' fees and insurance	5	(93,278)	(97,168)
Interest expense	1(e)	(19,183)	(38,689)
Setup costs		-	(45,780)
<b>TOTAL EXPENSES</b>		<u>(9,142,375)</u>	<u>(11,547,611)</u>
Expense reimbursement	3	47,922	18,015
Withholding tax on dividends	1(e)	(2,691,354)	(2,135,868)
Brazilian CGT		<u>(125,505)</u>	<u>(31,910)</u>
<b>NET INCOME/(EXPENSE) BEFORE FINANCE COSTS</b>		118,481,414	(99,027,068)
Finance costs	1(j)	<u>(251,353)</u>	<u>(707,027)</u>
<b>TOTAL INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS FOR THE FINANCIAL YEAR</b>		<u>118,230,061</u>	<u>(99,734,095)</u>

There are no recognised gains or losses arising in the financial year other than those dealt with in the Aggregate Statement of Comprehensive Income.

In arriving at the results of the financial year, all amounts above relate to continuing operations.



**AGGREGATE STATEMENT OF CHANGES IN NET ASSETS**

All amounts are expressed in US\$

For the financial years ended 31 December

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE BEGINNING OF THE FINANCIAL YEAR (FOR FINANCIAL STATEMENT PURPOSES)</b>	1(n)	801,892,464	1,146,300,381
<b>NOTIONAL EXCHANGE ADJUSTMENT</b>	12	(13,203,151)	(30,907,433)
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS FOR THE FINANCIAL YEAR</b>		118,230,061	(99,734,095)
<b>CAPITAL TRANSACTIONS</b>			
Proceeds from shares issued	13	200,575,537	194,671,135
Payments for shares redeemed	13	<u>(546,517,398)</u>	<u>(408,437,524)</u>
		(345,941,861)	(213,766,389)
<b>DECREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FOR THE FINANCIAL YEAR</b>		<u>(227,711,800)</u>	<u>(313,500,484)</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE END OF THE FINANCIAL YEAR FOR FINANCIAL STATEMENT PURPOSES</b>	1(n)	<u>560,977,513</u>	<u>801,892,464</u>

The accompanying notes form an integral part of these financial statements

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

### 1. ACCOUNTING POLICIES

The significant accounting policies adopted by Brandes Investment Funds plc (the “Fund”) are as follows:

#### a) *Basis of preparation of financial statements*

These financial statements have been prepared in accordance with FRS 102; the Financial Reporting Standard applicable in the UK and Republic of Ireland (“FRS 102”), the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) (the “UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investments in Transferable Securities) Regulations 2019 and Irish Statute comprising the Companies Act 2014. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Financial Reporting Council (“FRC”).

The financial statements are prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss. The accounting policies have been applied consistently by the Fund to all periods presented in the financial statements.

The financial statements have been prepared on a going concern basis as the board of directors (the “Board”/ the “Directors”) have made an assessment of the Fund’s ability to continue as a going concern and are satisfied that the Fund has the resources to continue for the foreseeable future. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Fund’s ability to continue as a going concern.

The comparative figures stated in the financial statements are those for the financial year ended 31 December 2018.

The valuation point is close of business on the New York Stock Exchange which is usually 4pm New York time on the relevant dealing day. The Dealing Day is any business day excluding those days on which either the New York Stock Exchange or Euronext Dublin is closed.

The format and wording of certain line items on the primary statements contain departures from the Guidelines under Schedule 3 Part II of the Companies Act 2014 so that, in the opinion of the Directors, they more appropriately reflect the nature of the Fund’s structure as an investment fund.

In addition, the Fund has availed of the exemption available to open-ended investment funds under FRS 102 to not present a cash flow statement.

All references to net assets throughout the documents refer to Net Assets Attributable to Holders of Redeemable Participating Shares unless otherwise stated.

#### b) *Financial Instruments*

##### *Fair Value Measurement Principles*

On initial application of FRS 102, in accounting for its financial instruments, a reporting entity is required to apply either (a) the full requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments; (b) the recognition and measurement provisions of IAS 39, Financial Instruments: Recognition and Measurement and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments; or (c) the recognition and measurement provisions of IFRS 9, Financial Instruments, and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments.

The Fund has chosen to implement the recognition and measurement provisions of IAS 39, Financial Instruments: Recognition and Measurement (“IAS 39”) and only the disclosure requirements of FRS 102 relating to Basic Financial Instruments and Other Financial Instruments.

##### *Foreign Exchange Translation*

##### *Functional and Presentation Currency*

The functional and presentation currency is U.S. Dollar (US\$) in the case of Brandes Global Value Fund, Brandes U.S. Value Fund and Brandes Emerging Markets Value Fund and Euro (EUR) in the case of Brandes European Value Fund. These are considered to be the currencies of the primary economic environments of the sub-funds of the Fund (the “Sub-Funds”). The presentation currency of the Fund’s aggregate financial statements is US\$.

##### *Classification*

In accordance with IAS 39, the Fund has classified its investments as financial assets at fair value through profit or loss. These investments may include equities, real estate investments trusts, participatory notes, rights, warrants and convertible securities which are acquired or incurred principally for the purpose of generating a profit from long-term appreciation in price.

##### *Recognition*

The Fund recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the financial instrument. Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulations or convention in the market place are recognised on trade date.

*Notes continue on the next page*

## 1. ACCOUNTING POLICIES (Continued)

### b) *Financial Instruments (Continued)*

#### *Initial Measurement*

Financial instruments are measured initially at market value, with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income.

#### *Subsequent Measurement*

After initial measurement, the Fund measures financial instruments classified as financial assets at fair value through profit or loss at their fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Subsequent changes in the fair value of financial instruments at fair value through the profit or loss are recognised in net gain on financial assets at fair value through profit or loss in the Statement of Comprehensive Income.

#### *Derecognition*

The Fund derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or when the financial assets are transferred and the transfer qualifies for derecognition in accordance with IAS 39. The Fund derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expired.

### c) *Offsetting Financial Instruments*

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when and only when, there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. For the financial year ended 31 December 2019 there were no financial assets or liabilities subject to enforceable master netting arrangements or similar agreements which would require disclosure.

### d) *Cash at bank and bank overdrafts*

Cash at bank includes cash in hand and other short term investments in an active market with maturities of three months or less at the time of purchase, and bank overdrafts will be valued at their face value together with accrued interest, where applicable, at the valuation point on the relevant dealing day unless in the opinion of the board of directors (the “Board”/ the “Directors”), in consultation with Brandes Investment Partners (Europe) Limited (the “Manager”) and State Street Fund Services (Ireland) Limited (the “Administrator”), an adjustment should be made to reflect the true value thereof.

### e) *Income Recognition*

Dividend income is recognised in the Statement of Comprehensive Income in Income from financial assets at fair value through profit or loss on the date upon which the relevant security is listed as “ex-dividend” to the extent that information thereon is reasonably available to the Fund. Dividend and interest income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the Statement of Comprehensive Income and net of any tax reclaim credits.

Interest income and expense are recognised in the Statement of Comprehensive Income for all debt instruments using the effective interest method. The effective interest method is used to calculate the amortised cost of a financial asset or financial liability and to allocate the interest income or interest expense over the relevant financial period. The effective interest rate is the rate that discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter financial period where appropriate, to the net carrying amount of the financial asset or financial liability.

#### *Class action income*

In April 2012, a class action complaint was filed with the District of New Jersey against Merck & Co. The Class action period covered all persons and entities who from May 21, 1999 through October 29, 2014 inclusive purchased or otherwise acquired Merck & Co common stock. The Brandes Global Value Fund and the Brandes U.S Value Fund met the eligibility requirements as a Class member. On June 28, 2016, a settlement was agreed with the Distribution plan being approved by the Court's September 13, 2018. In January 2019, the Brandes Global Value Fund received US\$264,677, the Brandes U.S. Value Fund US\$14,302.

In May 2016, a class action complaint was filed with the Southern District of New York against Petróleo Brasileiro S.A. (“Petrobras”). The Class action period covered all persons and entities who from January 22, 2010 through July 28, 2015 inclusive purchased or otherwise acquired Petrobras Securities. The Brandes Global Value Fund and the Brandes Emerging Markets Value Fund met the eligibility requirements as a Class member. In January 2018, the Court's agreed a settlement. In December 2019, the Brandes Global Value Fund received US\$647,615, the Brandes Emerging Markets Value Fund US\$205,576.

Class action income is recognised in the Statement of Comprehensive Income as other income.

*Notes continue on the next page*

## 1. ACCOUNTING POLICIES (Continued)

f) *Realised Gains and Losses on Financial Assets*  
Realised gains and losses on disposals of financial assets at fair value through profit or loss are calculated on an average cost basis. The associated foreign exchange movement between the date of purchase and the date of sale on the disposal of financial assets at fair value through profit or loss is included in net gains/(losses) on financial assets at fair value through profit or loss. Investment transactions are accounted for on trade date, the date at which the Fund commits to purchase or sell the assets.

g) *Transactions and Balances*  
Assets and liabilities denominated in currencies other than the functional currency of the relevant Sub-Fund are translated into the functional currency at the rate of exchange prevailing at the reporting date. Transactions in currencies other than the functional currency of the relevant Sub-Fund are translated into the functional currency at the rate of exchange prevailing at the dates of the transactions.

Gains and losses on foreign exchange transactions are recognised in the Statement of Comprehensive Income in determining the result for the financial year.

Proceeds from subscriptions and amounts paid for redemptions of Redeemable Participating Shares in currencies other than the functional currency are translated into the functional currency at the rates prevailing on the dates of the transactions.

The Statement of Financial Position is translated using exchange rates at the financial year end and the Statement of Comprehensive Income and Statement of Changes in Net Assets are translated at an average rate for Brandes European Value Fund for inclusion in the aggregate financial statements of the Fund. See Note 12 for further details.

h) *Translation of Sub-Funds for the purpose of calculating Fund level values*

For the purposes of combining the financial statements of the Brandes European Value Fund, a sub-fund with Euro as a presentation currency, the amounts in the Statement of Financial Position have been translated into US\$ at the exchange rate of US\$1.1217 ruling at 31 December 2019 (31 December 2018: US\$1.1457). The amounts in the Statement of Comprehensive Income as well as proceeds from the subscription and redemption of shares in the Statement of Changes in Net Assets have been translated at the average exchange rate of US\$1.1176 (31 December 2018: US\$1.1771). The method of translation has no effect on the Net Asset Value per share attributable to the individual Sub-Fund.

The amount of US\$(13,203,151) (31 December 2018: (US\$30,907,433)) included in the Aggregate Statement of Changes in Net Assets reflects the foreign exchange adjustment arising as a result of the method of translation used to combine the financial information of each Sub-Fund into Fund information on an aggregated basis, as required for presentation purposes. This foreign exchange translation adjustment does not impact on the NAVs of each Sub-Fund as these are determined on a Sub-Fund basis.

i) *Critical accounting judgements and estimates*  
Management may make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of income and expenses during the financial year. The resulting accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognised in the period in which an estimate is revised.

j) *Distribution Policy*  
The Constitution empowers the Directors to declare dividends in respect of any redeemable participating shares out of net income (including interest and dividend income) and/or the excess of realised and unrealised capital gains over realised and unrealised losses in respect of investments of the Fund. Net realised and unrealised capital gains of the Sub-Funds attributable to the Redeemable Participating Shares are expected to be retained by the relevant Sub-Fund. Distributions for the year are included within finance costs in the Statement of Comprehensive Income.

k) *Equalisation*  
Sub-Funds maintain equalisation accounts with the view of ensuring that the level of dividends payable on distributing redeemable Participating shares and reportable income for classes of redeemable participating shares with UK Reporting Fund status are not affected by the issue and redemption of such shares during an accounting period.

The subscription price of such Redeemable Participating Shares will therefore be deemed to include an equalisation payment calculated by reference to the net accrued income of the Sub-Funds and the distribution in respect of any share will include a re-payment of capital usually equal to the amount of such equalisation payment.

The redemption price of each share will also include an equalisation payment in respect of the accrued income of the Sub-Funds up to the date of redemption. Equalisation arising from subscriptions and redemptions is accounted for through the Statement of Changes in Net Assets as part of proceeds from shares issued and payments for shares redeemed.

*Notes continue on the next page*

## 1. ACCOUNTING POLICIES (Continued)

### l) *Taxation*

Under current law and practice, the Fund qualifies as an investment undertaking as defined in S739B(1) of the Taxes Consolidation Act, 1997, as amended. It is not generally chargeable to Irish tax on its income or capital gains. However, Irish tax may arise on the happening of a “chargeable event”. A chargeable event includes distribution payments to shareholders or encashments, redemptions, cancellations, transfers of shares or the 8 year anniversary of holding shares in the Fund. Any tax arising on a chargeable event is a liability of the shareholder, albeit it is paid by the Fund (although if the Fund fails to deduct the tax or the correct amount of tax it becomes ultimately a liability of the Fund). No tax will arise on the Fund in respect of chargeable events in respect of:

(i) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided the necessary signed statutory declarations are held by the Fund, and;

(ii) an exempt Irish resident shareholder (as defined in section 739D of the Taxes Consolidation Act, 1997 (as amended)) who has provided the Fund with the necessary signed statutory declarations.

Dividend interest and capital gains (if any) received on investments made by the Fund may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Fund or its shareholders.

### m) *Transaction costs*

Transactions costs are incurred on the acquisition or disposal of financial assets or liabilities at fair value through profit or loss. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial assets or liability. They include fees and commissions paid to agents, advisors, brokers or dealers. Transaction costs, when incurred are expensed immediately in the Statement of Comprehensive Income.

### n) *Redeemable Participating Shares*

Redeemable Participating Shares provide the shareholders with the right to redeem their shares for cash equal to their proportionate share of the net asset value (the “NAV”) of the Sub-Fund. A puttable financial instrument that includes a contractual obligation for a Fund to repurchase or redeem that instrument for cash or another financial asset is classified as equity, if it meets the following conditions:

- It entitles the shareholder to a pro rate share of the Fund's assets in the event of the Fund's liquidation;
- It is in a class of instruments that is subordinate to all other classes of instruments;
- All financial instruments in the class that is subordinate to all other classes have identical features;

- Apart from the contractual obligation for the Fund to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any features that would require classification as a liability;
- The total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund over the life of the instrument.
- For an instrument to be classified as an equity instrument, in addition to the instrument having the above features, the Fund must have no other financial instrument or contract that has total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund (excluding any effects of such instrument or contract) and had the effect of substantially restricting or fixing the residual return to the puttable instrument holders.

All redeemable participating shares issued by the Fund provide the investors with the right to require redemption for cash at the value proportionate to the investor's share in the Fund's net assets at the redemption date. As at December 2019 and 31 December 2018 there were 4 classes of shares, which met the above conditions except for the identical features test. This arose due to different management fee payable in respect of these classes, therefore redeemable units have been classified as a financial liability.

The redeemable participating shares are measured at amortised cost determined as being the present value of the redemption amount, representing the investors' right to a residual interest in the Fund's assets.

The liability to shareholders is presented in the Statement of Financial Position as “Net Assets Attributable to Holders of Redeemable Participating Shares”.

### o) *Management Shares*

Management shares do not entitle the holders to any dividend and on a winding down entitle the holder to receive the amount paid up thereon but not otherwise to participate in the assets of the Fund. Management shares are beneficially owned by the Manager and by Brandes Investment Partners, L.P. (“Brandes LP”), a distributor of the Fund.

## 2. CASH AT BANK

Cash held via accounts opened on the books of State Street Custodial Services (Ireland) Limited (the “Depositary”) are obligations of the Depositary while cash held in accounts opened directly on the books of a third party cash correspondent bank, sub-depositary or a broker (collectively, ‘agency accounts’) are liabilities of the agent, creating a debtor/creditor relationship directly between the agent and the Fund.

*Notes continue on the next page*

## 2. CASH AT BANK (Continued)

Accordingly, while the Depositary is responsible for exercising reasonable care in the administration of such agency cash accounts where it has appointed the agent (i.e., in the case of cash correspondent banks and sub-depositary), it is not liable for their repayment in the event the agent, by reason of its bankruptcy, insolvency or otherwise, fails to make repayment.

As at 31 December 2019 and 31 December 2018, all of the Sub-Funds' cash was held with State Street Custodial Services (Ireland) Limited.

The Fund has overdraft facilities at the custodian and Bank of America for shareholder accounts.

## 3. MANAGER, DISTRIBUTOR, ADMINISTRATOR AND DEPOSITARY FEES

The Manager is entitled to receive from the Fund out of the assets of each Sub-Fund an annual fee (with the exception of X Share Classes which do not carry a fee), equal to 0.70% of the NAV of Brandes Global Value Fund, Brandes European Value Fund, Brandes U.S. Value Fund and 0.85% of the NAV of Brandes Emerging Markets Value Fund.

These fees are calculated and accrue at each valuation point and are payable monthly in arrears.

As manager for the financial year ended 31 December 2019, the Manager earned a fee of US\$5,481,032 (31 December 2018: US\$7,237,990), of which US\$358,179 (31 December 2018: US\$491,541) was outstanding at the financial year end.

The Manager has agreed to reimburse the Brandes Emerging Markets Value Fund for certain expenses which are in excess of 1.25% for Class I and Class S and 2.25% for Class A shares of the NAV, as per annum calculated on a daily basis on the NAV of the Sub-Fund. During the financial year ended 31 December 2019, the Manager reimbursed fees amounting to US\$47,922 (31 December 2018: US\$18,015), of which US\$568 (31 December 2018: US\$Nil) was outstanding at the financial year end.

For the Class A shares, there is an additional fee of up to 1.00% of the NAV of the relevant class A share as a distribution fee. The fee is calculated and accrued at each valuation point and is payable quarterly in arrears to the distributors. Distribution fees attributable to Brandes LP who acts as a distributor for the Fund, are paid directly to certain sub-distributors in accordance with the outstanding agreements between the Fund, Brandes LP and those sub-distributors.

In aggregate, Distributors earned fees of US\$1,131,945 for the financial year ended 31 December 2019 (31 December 2018: US\$1,428,246), of which US\$247,581 (31 December 2018: US\$324,443) was outstanding at the financial year end.

The Administrator is entitled to receive from the Fund out of the assets of each Sub-Fund an annual fee up to 0.0425% of the NAV of the Sub-Fund. Administration fees will be subject to a fixed annual minimum of US\$45,000 per Sub-Fund, calculated in aggregate across the umbrella. If the aggregate minimum for the umbrella is met, then the Sub-Fund minimums will not apply. This fee is calculated and accrued at each valuation point and is payable monthly in arrears.

The Administrator is entitled to receive an annual fee, accrued daily and payable monthly, of up to US\$2,000 per Sub-Fund per annum for a maximum of three Share Classes with and additional US\$500 to be charged for additional Share Classes, for administrative tax reporting services in relation to the distribution in Germany and Austria. This fee is charged on a jurisdiction basis.

The Administrator is entitled to receive an annual fee of US\$26,000 for financial reporting services including semi-annual and annual financial statements. The annual fee will increase by US\$2,500 per additional Sub-Fund.

The Administrator shall also be entitled to receive reasonable vouched out-of-pocket expenses incurred in the performance of its duties.

The Administrator earned fees of US\$515,541 for the financial year ended 31 December 2019 (31 December 2018: US\$557,861), of which US\$121,823 (31 December 2018: US\$34,728) was outstanding at the financial year end.

The Depositary is entitled to receive from the Fund out of the assets of each Sub-Fund an annual depositary fee up to a maximum of 0.075% of NAV for the safekeeping of assets and an annual trustee fee of 0.015% of the NAV of each Sub-Fund. This fee is calculated and accrued at each valuation point and is payable monthly in arrears.

As depositary for the financial year from 1 January 2019 to 31 December 2019, the Depositary earned a fee of US\$182,806 (31 December 2018: US\$296,118), of which US\$Nil (31 December 2018: US\$2,975), was outstanding at the financial year end.

## 4. OPERATING EXPENSES

The Fund also pays out of assets of the Sub-Funds various fees incurred in the operation of the Fund. These fees include, but are not limited to, the publication and circulation of details of the NAV per Redeemable Participating Share, stamp duties, taxes, brokerage, the fees and expenses of auditors, dividend receipt, prepaid registration, overdraft, listing, legal and other professional advisers.

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## 5. DIRECTORS' FEES AND EXPENSES

Each Director is entitled to charge a fee for their services at a rate determined by the Directors up to a maximum fee per Director of EUR25,000 per annum. All Directors will be entitled to reimbursement by the Fund of expenses properly incurred in connection with the business of the Fund or the discharge of their duties. Directors Fees were established at US\$19,630 per annum for the financial year ended 31 December 2019 (31 December 2018: US\$20,050). This was received by John Mahon, Gerald Moloney and Peter Sandys.

Total Directors fees and insurance for the financial year amounted to US\$93,278 (31 December 2018: US\$97,168). As at 31 December 2019, Directors fees payable amounted to US\$ Nil (31 December 2018: US\$ Nil). Income taxes and charges for the financial year amounted to US\$30,622 (31 December 2018: US\$31,278), with amounts payable at 31 December 2019 of US\$ Nil (31 December 2018: US\$ Nil).

During the reporting period Oliver Murray was a member of Brandes LP, and Adam Mac Nulty and Dylan Turner were employees of Brandes Investment Partners (Europe) Limited, all agreed to voluntarily waive their entitlement to a fee for the financial year ended 31 December 2019.

The Directors' and officers' indemnity and Fund reimbursement liability insurance for the financial year ended 31 December 2019 was US\$34,242 (31 December 2018: US\$35,372).

## 6. AUDITORS' REMUNERATION

The remuneration (excluding VAT) for work carried out by KPMG, Chartered Accountants for the Fund in respect of the financial years ended 31 December 2019 and 31 December 2018 is as follows:

<b>31 December 2019</b>		
Audit of financial statements	€45,900	US\$51,486
Other assurance services	€Nil	US\$Nil
Tax advisory services	€3,272	US\$3,669
Other non-audit services	€Nil	US\$Nil

<b>31 December 2018</b>		
Audit of financial statements	€45,000	US\$51,557
Other assurance services	€Nil	US\$Nil
Tax advisory services	€2,633	US\$2,999
Other non-audit services	€Nil	US\$Nil

## 7. SOFT COMMISSIONS

Brandes LP may execute brokerage transactions for the Fund with full service brokers who provide the Brandes LP with research and brokerage products and services. In addition, the Brandes LP currently maintains a limited number of soft-dollar arrangements with several brokers for the provision of third-party research (Client Commission Arrangements or "CCAs").

The Fund participates in the CCA programme of the Brandes LP and has entered into soft commission arrangements involving commissions of the Fund for the provision of third party research or services during the financial year.

## 8. TRANSACTIONS COSTS

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Any incremental cost is one that would not have been incurred if the Sub-Fund had not acquired, issued or disposed of the financial instrument. Transaction costs of US\$587,152 for the financial year ended 31 December 2019 (31 December 2018: US\$897,834) have been included in the Statement of Comprehensive Income.

## 9. FINANCIAL RISK MANAGEMENT

### *Strategy in using Financial Instruments*

In pursuing its investment objective, the Fund is exposed to a variety of financial risks including: market risk (including: price risk, currency risk and to a lesser extent interest rate risk), credit risk and liquidity risk that could result in a reduction in the Fund's net assets. The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Sub-Funds' financial performance.

The risks, and the Directors' approach to the management of those risks, are as follows.

### *Market Risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of unfavourable movements in instrument market prices, foreign currency exposure and interest rates. The Fund is exposed to market risk on investments in that the Fund may not be able to readily dispose of its holdings when it so chooses and also that the prices obtained on held instruments upon disposal would be below that at which the investment is included in the Fund's financial statements. Market risk can be analysed under three unique risk types: price risk, foreign currency risk and interest rate risk.

### *Price Risk*

Price risk is the risk that the future fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk and interest rate risk), whether those factors are caused by factors specific to individual financial instruments or its issuer, or other factors affecting similar financial instruments traded in the market. At 31 December 2019 and 31 December 2018, the exposure of the Fund to financial instruments is disclosed in the schedule of investments on pages 17-18 for Brandes Global Value Fund, pages 24-26 for Brandes European Value Fund, pages 32-33 for Brandes U.S. Value Fund and pages 39-41 for Brandes Emerging Markets Value Fund.

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## 9. FINANCIAL RISK MANAGEMENT (Continued)

### Price Risk (Continued)

The Sub-Funds' security investments consist of quoted equities, real estate investments trusts, fixed income, warrants, rights, and convertible securities for which the values are determined by market forces. All security investments present a risk of loss of capital. The Manager moderates this risk through a careful selection of securities within specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The board of directors (the "Board"/the "Directors") manages the price risks inherent in the investment portfolios by ensuring full and timely access to relevant information from the Manager.

The Board meets regularly and at each meeting reviews investment performance and overall market positions, monitors the Manager's compliance with the Sub-Funds' investment objectives and is responsible for investment strategy and asset allocation. There were no material changes to the Fund's policies and processes for managing price risk and the methods used to measure risk since the financial year end.

The Sub-Funds' security investments are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Sub-Funds' market price risk is managed through diversification of the investment portfolio.

At 31 December 2019 and 31 December 2018 the Fund's market price risk is affected by two main components: changes in actual security prices and foreign currency movements. Foreign currency movements are covered in the note that follows.

The following tables document the Sub-Funds' exposure to currency risk. Amounts shown below are in the Sub-Funds' functional currency.

Financial Assets								
Brandes Global Value Fund (US\$)								
	Euro		British Pound		Other Non-Base Currencies		Total Currency Exposure	
	2019	2018	2019	2018	2019	2018	2019	2018
Financial assets at fair value through profit or loss	14,249,424	18,114,681	14,628,609	17,952,638	14,401,554	18,611,209	43,279,587	54,678,528
Cash and cash equivalents	576	59	(9,953)	60,179	(129,129)	-	(138,506)	60,238
Other receivables	-	22,912	45,057	89,834	165,275	12,117	210,332	124,863
<b>Total financial assets</b>	<b>14,250,000</b>	<b>18,137,652</b>	<b>14,663,713</b>	<b>18,102,651</b>	<b>14,437,700</b>	<b>18,623,326</b>	<b>43,351,413</b>	<b>54,863,629</b>

Brandes European Value Fund (€)								
	British Pound		US Dollar		Other Non-Base Currencies		Total Currency Exposure	
	2019	2018	2019	2018	2019	2018	2019	2018
Financial assets at fair value through profit or loss	98,252,348	163,484,429	14,469,989	38,086,478	24,582,587	51,626,664	137,304,924	253,197,571
Cash and cash equivalents	(106,324)	273,268	11,729	1	47,314	-	(47,281)	273,269
Other receivable	366,422	792,827	7,959	19,500	-	126,639	374,381	938,966
<b>Total financial assets</b>	<b>98,512,446</b>	<b>164,550,524</b>	<b>14,489,677</b>	<b>38,105,979</b>	<b>24,629,901</b>	<b>51,753,303</b>	<b>137,632,024</b>	<b>254,409,806</b>

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Market price risk sensitivity is summarised in the tables below:

Security Prices	Possible Change in Security Price	Effect on Net Assets and Profit
<b>31 December 2019</b>		
Brandes Global Value Fund	(5%)	(US\$3,595,185)
Brandes European Value Fund	(5%)	(EUR14,401,614)
Brandes U.S. Value Fund	(5%)	(US\$6,130,602)
Brandes Emerging Markets Value Fund	(5%)	(US\$1,407,816)

Security Prices	Possible Change in Security Price	Effect on Net Assets and Profit
<b>31 December 2018</b>		
Brandes Global Value Fund	(5%)	(US\$4,200,750)
Brandes European Value Fund	(5%)	(EUR25,425,634)
Brandes U.S. Value Fund	(5%)	(US\$4,691,082)
Brandes Emerging Markets Value Fund	(5%)	(US\$1,359,609)

It is the opinion of the Directors that a 5% decrease in asset prices is a reasonable assumption upon which to base the sensitivity analysis.

### Currency Risk

Currency risk is the risk that the future fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Certain of the Sub-Funds' assets, liabilities and income are denominated in currencies other than the functional currency of the Sub-Fund. Therefore, they are exposed to currency risk as their value will fluctuate due to changes in foreign exchange rates. Income and expenses denominated in foreign currencies are converted to the functional currency of the Sub-Fund.



## 9. FINANCIAL RISK MANAGEMENT (Continued)

### Currency Risk (Continued)

Financial Assets								
Brandes Emerging Markets Value Fund (US\$)								
	South Korean Won		Hong Kong Dollar		Other Non-Base Currencies		Total Currency Exposure	
	2019	2018	2019	2018	2019	2018	2019	2018
Financial assets at fair value through profit or loss	3,971,870	3,860,594	4,851,693	4,137,505	11,783,822	11,020,831	20,607,385	19,018,930
Cash and cash equivalents	–	–	14,064	6,321	26,312	47,246	40,376	53,567
Other receivable	–	–	–	–	27,756	40,736	27,756	40,736
Payable for securities purchased	–	–	(14,064)	–	–	–	(14,064)	–
<b>Total financial assets</b>	<b>3,971,870</b>	<b>3,860,594</b>	<b>4,851,693</b>	<b>4,143,826</b>	<b>11,837,890</b>	<b>11,108,813</b>	<b>20,661,453</b>	<b>19,113,233</b>

Brandes U.S. Value Fund had no material financial asset or liability exposure to foreign currency as at 31 December 2019 and 31 December 2018.

The calculated depreciation/appreciation of the currency against the reporting currency of the Sub-Fund has been applied to each of the foreign currency balances as at 31 December 2019 and 31 December 2018, and with all other variables held constant, the results of this sensitivity analysis are shown in the following tables.

Brandes Global Value Fund	2019		2018	
	Change in Foreign Exchange Rate versus US\$, %	Effect on Net Assets, US\$	Change in Foreign Exchange Rate versus US\$, %	Effect on Net Assets, US\$
Euro	(2.14%)	(305,526)	4.73%	853,195
British Pound	3.77%	553,515	5.93%	1,073,022
Other Non-Base Currencies	(0.53%)	(76,546)	3.28%	610,086

Brandes European Value Fund	2019		2018	
	Change in Foreign Exchange Rate versus €, %	Effect on Net Assets, €	Change in Foreign Exchange Rate versus €, %	Effect on Net Assets, €
British Pound	5.79%	5,708,335	1.15%	1,894,476
US Dollar	2.10%	304,144	(4.51%)	(1,718,149)
Other Non-Base Currencies	2.41%	594,720	(2.38%)	(1,178,743)

Brandes Emerging Markets Value Fund	2019		2018	
	Change in Foreign Exchange Rate versus US\$, %	Effect on Net Assets, US\$	Change in Foreign Exchange Rate versus US\$, %	Effect on Net Assets, US\$
Hong Kong Dollar	0.49%	23,668	0.23%	9,361
South Korean Won	(3.64%)	(144,700)	4.23%	163,180
Other Non-Base Currencies	0.55%	65,219	10.59%	1,175,913

The commitment approach is used to calculate global exposure for all Sub-Funds on a daily basis. The method for calculating global exposure on the basis of the commitment approach is implemented in accordance with ESMA Guidelines 10–788. The Sub-Funds were not subject to any deviations during the financial year.

In accordance with the Fund's policy, the Manager monitors the each of the Sub-Funds' currency position on a daily basis and the Board reviews it on a quarterly basis with reference to the schedule of investments analysed by country and appropriate commentary provided by the Manager. However, it is not the policy for the Fund to hedge currency positions that arise as a result of investment decisions by the Manager. There were no material changes to the Fund's policies and processes in respect of currency risk and the methods used to measure risk since the financial year end.

As the classes of shares are denominated in different currencies, the Sub-Funds may engage in currency hedging operations in relation to Classes AH and IH with a view to mitigating, so far as practicable, the effect of adverse currency movements between the currency of denomination of each of the classes of shares and the base currency of the relevant Sub-Funds. The benefits, losses and expenses relating to such hedging transactions shall be for the account of the relevant class. At no stage will such hedging exceed 105% of the NAV of the relevant Class.

*Notes continue on the next page*

## 9. FINANCIAL RISK MANAGEMENT (Continued)

### *Interest Rate Risk*

The majority of the Sub-Funds' financial assets and liabilities are non-interest bearing. As a result, the Sub-Funds are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Typically, excess cash is held in an interest bearing account custodied at State Street Custodial Services (Ireland) Limited, where interest earned is the prevailing short term market interest rate.

This excess cash held with the Depositary may achieve a negative interest rate on deposits invested. Effects of negative interest rates on interest-bearing financial assets relate to changed business circumstances according to which some depositaries used by the Depositary charged negative interest rates on deposits held by the Depositary with those banks.

### *Credit Risk*

The Sub-Funds take on exposure to credit risk, which is the risk that a counterparty or an issuer will be unable to pay amounts in full when due.

The Sub-Funds invest in financial assets, which have an investment grade as rated by a well-known rating agency. For unrated assets a rating is assigned using an approach that is consistent with rating agencies.

As at 31 December 2019 and 31 December 2018, all of the Sub-Funds' cash was held with State Street Custodial Services (Ireland) Limited which had a credit rating of A (S&P Rating) (31 December 2018: A)

The Sub-Funds' securities are maintained within the Depositary custodial network in segregated accounts. The Depositary will ensure that any agent it appoints to assist in safekeeping the assets of the Sub-Fund will segregate the assets of the Sub-Fund. Thus in the event of insolvency or bankruptcy of the Depositary, the Sub-Fund's assets are segregated and protected. This further reduces counterparty risk. The Sub-Funds' will, however, be exposed to the risk of the Depositary or certain depositaries used by the Depositary, in relation to the Sub-Funds' cash held by the Depositary.

In the event of insolvency or bankruptcy of the Depositary, the Sub-Funds will be treated as a general creditor of the Depositary in relation to cash holdings of the Sub-Funds.

Credit risk resulting from securities lending activity is managed in the context of the appointment of a securities lending agent and the Fund's oversight of the securities lending programme. The Board approves each counterparty for inclusion in the Fund's agency securities lending program based on a list of eligible counterparties provided by State Street Bank International GmbH, the Fund's securities lending agent.

All eligible counterparties have previously been reviewed by the Credit Department of State Street Bank International GmbH for its own internal credit review purposes as well as the financials sector research team of Brandes LP prior to becoming an eligible counterparty.

In addition, all lending transactions are fully collateralised per terms established in the Fund's lending agreement with the agent. The Fund is indemnified for the replacement value of lent securities in the event of a borrower's failure to return such securities.

In accordance with the Fund's policy, the Manager monitors the Sub-Funds' credit position on a daily basis, and the Board reviews it on a quarterly basis.

There were no material changes to the Fund's policies and processes for managing credit risk and the methods used to measure risk since the financial year end.

At the reporting date, the principal credit risk exposure facing the Fund was through its holdings with the Depositary by the carrying amount of these holdings as stated in the Fund's Statement of Financial Position. At the reporting date, the Depositary had a credit rating of AA- attributed by Standard & Poor's.

At a sub-fund level, Brandes U.S. Value Fund was exposed to credit risk through a number of its equity holdings with Bloomberg ratings and carrying amounts as follows:

		31 December	31 December
<b>Brandes U.S. Value Fund</b>		<b>2019</b>	<b>2018</b>
<b>Rating</b>	<b>Security Name</b>	<b>US\$</b>	<b>US\$</b>
BB	Goldman Sachs Group Inc.	1,285,706	962,850
BB+	Morgan Stanley	615,986	436,270
BBB	US Bancorp	2,068,079	1,536,650
<b>Total</b>		<b>3,969,771</b>	<b>2,935,770</b>

### *Liquidity Risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with short term financial liabilities. The Sub-Funds are exposed to daily cash redemptions of redeemable participating shares. The Sub-Funds invest the majority of their assets in equities and other financial instruments that are traded in an active market and can be readily disposed of. At any particular time, they invest only a limited proportion of their assets in investments not actively traded on a stock exchange.

The Sub-Funds' listed securities are considered readily realisable as they are listed on a stock exchange.

Per the prospectus of the Fund, generally the maximum amount that should be invested in any one holding is 5% of the Sub-Funds' total assets at the time of purchase. In accordance with the Fund's policy, the Manager monitors the Sub-Funds' liquidity positions on a daily basis, and the Board reviews it on a quarterly basis. There were no material changes to the Fund's policies and processes for managing liquidity risk and the methods used to measure risk since the financial year end.

*Notes continue on the next page*

## 9. FINANCIAL RISK MANAGEMENT (Continued)

### Liquidity Risk (Continued)

The tables below analyse the Sub-Funds' contractual undiscounted cash flow of the financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date.

Brandes Global Value Fund	2019		2018	
	Less than or equal to 1 Month	More than 1 month	Less than or equal to 1 Month	More than 1 month
	US\$	US\$	US\$	US\$
Bank overdraft	–	–	41,227	–
Expense payable	139,616	–	130,019	–
Payable for securities purchased	–	–	91,810	–
Redeemable Participating Shares*	76,989,523	–	90,701,046	–
<b>Total financial liabilities</b>	<b>77,129,139</b>	<b>–</b>	<b>90,964,102</b>	<b>–</b>

\* For Shareholder Dealing Purposes (unaudited).

Brandes European Value Fund	2019		2018	
	Less than or equal to 1 Month	More than 1 month	Less than or equal to 1 Month	More than 1 month
	€	€	€	€
Expense payable	560,133	–	713,538	–
Payable for shares redeemed	393,760	–	26,807	–
Redeemable Participating Shares*	290,241,409	–	512,904,265	–
<b>Total financial liabilities</b>	<b>291,195,302</b>	<b>–</b>	<b>513,644,610</b>	<b>–</b>

\* For Shareholder Dealing Purposes (unaudited).

Brandes U.S. Value Fund	2019		2018	
	Less than or equal to 1 Month	More than 1 month	Less than or equal to 1 Month	More than 1 month
	US\$	US\$	US\$	US\$
Bank overdraft	–	–	2,358,324	–
Expense payable	234,562	–	230,727	–
Payable for securities purchased	31,389	–	–	–
Payable for shares redeemed	85,448	–	23,888	–
Redeemable Participating Shares*	129,346,247	–	97,981,444	–
<b>Total financial liabilities</b>	<b>129,697,646</b>	<b>–</b>	<b>100,594,383</b>	<b>–</b>

\* For Shareholder Dealing Purposes (unaudited).

Brandes Emerging Markets Value Fund	2019		2018	
	Less than or equal to 1 Month	More than 1 month	Less than or equal to 1 Month	More than 1 month
	US\$	US\$	US\$	US\$
Bank overdraft	–	–	1,957	–
Dividends and deposit interest income payable	120,884	–	48,227	–
Payables for securities purchased	14,065	–	–	–
Expense payable	60,983	–	41,573	–
Redeemable Participating Shares*	29,582,056	–	27,294,463	–
<b>Total financial liabilities</b>	<b>29,777,988</b>	<b>–</b>	<b>27,386,220</b>	<b>–</b>

\* For Shareholder Dealing Purposes (unaudited).

### Capital Management

The amount of Net Asset Attributable to Holders of Redeemable Participating Shares can change significantly on a daily/weekly basis, as the Sub-Funds are subject to daily subscriptions and redemptions at the discretion of shareholders. The objective when managing capital of the Sub-Funds is to safeguard the Sub-Funds' ability to continue as a going concern in order to provide returns for shareholders and maintain a strong capital base to support the development of the investment activities of the Sub-Funds.

The level of daily subscriptions and redemptions on the Sub-Funds is monitored on regular basis. At the discretion of the Directors, the Fund may refuse to redeem any shares in excess of 10% of total number of shares in issue of a Sub-Fund on a dealing day, charge a redemption fee up to 3% of the redemption price and a switching fee up to 3% of the price of shares.

*Notes continue on the next page*

## 9. FINANCIAL RISK MANAGEMENT (Continued)

### *Capital Management (Continued)*

With the consent of the Depositary the NAV calculation, issue, redemption and switching of shares of any Sub-Fund may be temporarily suspended when: (i) a market which is the basis for the valuation of a major part of the assets of the relevant Sub-Fund is closed (except for the purposes of a public/bank holiday), or when trading on such a market is limited or suspended; (ii) a political, economic, military, monetary or other emergency beyond the control, liability and influence of the Directors or their delegate makes the disposal of the assets of the relevant Sub-Fund impossible or impracticable under normal conditions, or such disposal would be detrimental to the interests of the Shareholders; (iii) the disruption of any relevant communications network or any other reason makes it impossible or impracticable to determine the value of a major portion of the assets of the relevant Sub-Fund; (iv) the relevant Sub-Fund is unable to repatriate funds for the purpose of making payment on the redemption of Shares from Shareholders or any transfer of funds involved in the realisation or acquisition of investments or when payments due on redemption of Shares from Shareholders cannot in the reasonable opinion of the Directors or their delegate be effected at normal rates of exchange; or (v) any other reason makes it impossible or impracticable to determine the value of a substantial portion of the assets of the relevant Sub-Fund.

Where the Fund receives a redemption request from a shareholder which represents 5% or more of the net asset value of the relevant Sub-Fund, the Fund may satisfy such redemption request through the transfer in specie to the redeeming shareholders of assets of the relevant Sub-Fund having a value equal to the redemption price for the shares redeemed as if the redemption proceeds were paid in cash less any redemption charge and other expenses of the transfer, provided that any such shareholder requesting redemption shall be entitled to request the sale of any asset or assets proposed to be distributed in specie and the distribution to such shareholder of the cash proceeds of such sale less the costs of such sale which shall be borne by the relevant shareholder.

## 10. FAIR VALUE ESTIMATION

The fair value of financial instruments is based on their official quoted market price on a recognised exchange or sourced from a reputable broker/counterparty in the case of non-exchange traded instruments, at the Statement of Financial Position date without any deduction for estimated future selling costs. The Administrator may however adjust the value of financial assets if it considers such adjustment is required to better reflect the fair value thereof.

If a quoted official market price is not available on a recognised stock exchange or from a broker/counterparty, the probable realisation value shall be calculated with care and in good faith by the Directors or a competent person, including the Manager (being approved by the Depositary as a competent person for such purpose), with a view to establishing the probable realisation value for such assets as at the valuation point.

Such probable realisation values may be determined using valuation techniques that include recent arm's length market transactions, discounted cash flow techniques, or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions. There were no securities for all Sub-Funds that were priced in this manner as at 31 December 2019 and as at 31 December 2018.

FRS 102 Section 11.27 on "Fair Value: Disclosure" requires disclosure relating to the fair value hierarchy in which fair value measurements are categorised for assets and liabilities. The disclosures are based on a three-level fair value hierarchy for the inputs used in valuation techniques to measure fair value.

The fair value hierarchy as required under FRS 102 is based on the valuation inputs used to fair value the financial assets and liabilities and consideration of the market activity for each individual financial asset and liability. The definitions for Levels 1, 2 and 3 are set out below.

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date. This category includes instruments valued using quoted prices in active markets for similar instruments; quoted prices for identical similar instruments in markets that are considered less than active; or valuation techniques for which all significant inputs are directly or indirectly observable from market data.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instruments valuation (i.e. for which market data is unavailable) for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement was categorised in its entirety was determined on the basis of the lowest level input that was significant to the fair value measurement in its entirety. For this purpose, the significance of an input was assessed against the fair value measurement in its entirety. If a fair value measurement used observable inputs that required significant adjustment based on unobservable inputs, that measurement was a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety required judgement, considering factors specific to the asset or liability. The determination of what constituted "observable" required significant judgement by the Manager.

The Manager considered observable data to be market data that was readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

*Notes continue on the next page*

## 10. FAIR VALUE ESTIMATION (Continued)

The following tables provide an analysis of the fair value hierarchy of the Sub-Fund's financial assets, measured at fair value at 31 December 2019:

<b>Brandes Global Value Fund, US\$</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total Fair Value 31 December 2019</b>
<b>Financial assets designated at fair value through profit or loss:</b>				
Listed equity securities	70,288,925	-	-	70,288,925
Real estate investment trusts	1,614,775	-	-	1,614,775
<b>Total financial assets</b>	<b>71,903,700</b>	<b>-</b>	<b>-</b>	<b>71,903,700</b>

<b>Brandes European Value Fund, €</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total Fair Value 31 December 2019</b>
<b>Financial assets designated at fair value through profit or loss:</b>				
Listed equity securities	264,557,367	2,105,537	-	266,662,904
Real estate investment trusts	5,742,227	-	-	5,742,227
Convertible securities	-	628,824	-	628,824
Investment Funds	-	14,998,328	-	14,998,328
<b>Total financial assets</b>	<b>270,299,594</b>	<b>17,732,689</b>	<b>-</b>	<b>288,032,283</b>

<b>Brandes U.S. Value Fund, US\$</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total Fair Value 31 December 2019</b>
<b>Financial assets designated at fair value through profit or loss:</b>				
Listed equity securities	116,907,757	-	-	116,907,757
Government bonds	5,704,286	-	-	5,704,286
<b>Total financial assets</b>	<b>122,612,043</b>	<b>-</b>	<b>-</b>	<b>122,612,043</b>

<b>Brandes Emerging Markets Value Fund, US\$</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total Fair Value 31 December 2019</b>
<b>Financial assets designated at fair value through profit or loss:</b>				
Listed equity securities	26,339,839	-	-	26,339,839
Real estate investment trusts	1,580,147	-	-	1,580,147
Warrants	-	236,325	-	236,325
<b>Total financial assets</b>	<b>27,919,986</b>	<b>236,325</b>	<b>-</b>	<b>28,156,311</b>

During the financial year ended 31 December 2019, there were no transfers between levels of the fair value hierarchy for financial assets on Brandes Global Value Fund, Brandes U.S. Value Fund or Brandes Emerging Markets Value Fund. On Brandes European Value Fund the value of holding in Savencia SA of €2,105,537 was transferred from level 1 into level 2 due to low trading activity.

The following tables provide an analysis of the fair value hierarchy of the Sub-Fund's financial assets, measured at fair value at 31 December 2018:

<b>Brandes Global Value Fund, US\$</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total Fair Value 31 December 2018</b>
<b>Financial assets designated at fair value through profit or loss:</b>				
Listed equity securities	82,533,294	-	-	82,533,294
Real estate investment trusts	1,448,111	-	-	1,448,111
Rights	33,586	-	-	33,586
<b>Total financial assets</b>	<b>84,014,991</b>	<b>-</b>	<b>-</b>	<b>84,014,991</b>

*Notes continue on the next page*

## 10. FAIR VALUE ESTIMATION (Continued)

<b>Brandes European Value Fund, €</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total Fair Value 31 December 2018</b>
<b>Financial assets designated at fair value through profit or loss:</b>				
Listed equity securities	485,810,178	–	–	485,810,178
Real estate investment trusts	11,174,640	–	–	11,174,640
Rights	316,852	–	–	316,852
Convertible securities	–	1,069,500	–	1,069,500
Investment Funds	–	10,141,511	–	10,141,511
<b>Total financial assets</b>	<b>497,301,670</b>	<b>11,211,011</b>	<b>–</b>	<b>508,512,681</b>

<b>Brandes U.S. Value Fund, US\$</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total Fair Value 31 December 2018</b>
<b>Financial assets designated at fair value through profit or loss:</b>				
Listed equity securities	88,723,571	–	–	88,723,571
Government bonds	5,098,062	–	–	5,098,062
<b>Total financial assets</b>	<b>93,821,633</b>	<b>–</b>	<b>–</b>	<b>93,821,633</b>

<b>Brandes Emerging Markets Value Fund, US\$</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total Fair Value 31 December 2018</b>
<b>Financial assets designated at fair value through profit or loss:</b>				
Listed equity securities	23,958,078	–	–	23,958,078
Real estate investment trusts	1,697,676	–	–	1,697,676
Warrants	–	294,822	–	294,822
<b>Total financial assets</b>	<b>25,655,754</b>	<b>294,822</b>	<b>–</b>	<b>25,950,576</b>

During the financial year ended 31 December 2018, there were no transfers between levels of the fair value hierarchy for financial assets on Brandes Global Value Fund, Brandes European Value Fund, Brandes U.S. Value Fund and Brandes Emerging Markets Value Fund.

### *Fair value of financial assets and financial liabilities that are not measured at fair value*

The Directors consider that the carrying amounts of these financial assets and liabilities recognised in the financial statements approximate the fair value. These are short-term financial assets and financial liabilities whose carrying amounts approximate fair value, because of their short-term nature and the high credit quality of counterparties.

## 11. FINANCIAL DERIVATIVE INSTRUMENTS

The Sub-Funds may employ investment techniques and instruments for efficient portfolio management (“EPM”) purposes and/or for short-term investment purposes under the conditions and limits set out by the Central Bank under the UCITS Regulations and in the Constitution. These techniques and instruments may include investment in financial derivative instruments (“FDIs”).

The Sub-Funds may enter into swap agreements, futures, forwards, options, and contracts for difference, repurchase and reverse repurchase agreements and securities lending agreements for EPM purposes, hedging purposes, to reduce portfolio risk or to obtain in a more efficient way exposure that would otherwise be obtained by direct investment in securities in accordance with the investment objectives. Transactions for EPM purposes may be undertaken with a view to achieving a reduction in risk and/or a reduction in costs and may not be speculative in nature. New techniques and

instruments may be developed which may be suitable for use by a Sub-Fund and the Manager may employ such techniques and instruments. The Sub-Funds may enter into repurchase agreements, reverse repurchase agreements and securities lending for EPM purposes only in accordance with normal market practice. There are no material revenues arising from the use of repurchase agreements or reverse repurchase agreements. All assets received by Sub-Funds in the context of EPM techniques should be considered as collateral. Any counterparty to a repo contract or stock lending arrangement shall be subject to an appropriate internal credit assessment carried out by the Manager, which shall include amongst other considerations, external credit ratings of the counterparty, the regulatory supervision applied to the relevant counterparty, industry sector risk and concentration risk.

*Notes continue on the next page*

## 12. EXCHANGE RATES

The exchange rates per U.S. Dollar (US\$) at 31 December 2019 and 31 December 2018 used in this report are as follows:

	2019	2018
Brazilian Real	4.0227	3.8758
British Pound	0.7549	0.7846
Chilean Peso	751.9500	694.0000
China Yuan Renminbi	6.9657	-
Colombian Peso	3,287.2300	3,247.5000
Czech Koruna	22.6701	22.4613
Euro	0.8915	0.8728
Ghany Cedis	5.7000	4.9000
Hong Kong Dollar	7.7923	7.8305
Hungarian Forint	295.0567	280.2008
Indian Rupee	71.3782	69.8150
Indonesian Rupiah	13,882.5000	14,380.0000
Japanese Yen	108.6550	109.6050
Malaysian Ringgit	4.0905	4.1325
Mexican Peso	18.9075	19.6518
Pakistan Rupee	-	138.8000
South African Rand	14.0060	14.3875
South Korean Won	1,156.4500	1,115.8000
Swiss Franc	0.9678	0.9829
Taiwan New Dollar	29.9770	30.7370
Thailand Baht	29.9538	32.5600
Turkish Lira	5.9490	5.2925

The exchange rates per Euro (EUR) at 31 December 2019 and 31 December 2018 used in this report are as follows:

	2019	2018
British Pound	0.8468	0.8989
Hungarian Forint	330.9650	321.0400
Swiss Franc	1.0856	1.1262
US Dollar	1.1217	1.1457
Hong Kong Dollar	8.7406	-

A notional currency adjustment of (US\$13,203,151) (31 December 2018: (US\$30,907,433)) arises from the translation of the opening net assets, the the Statement of Comprehensive Income and the Statement of Changes in Net Assets on the Brandes European Value Fund from Euro, which is the presentation currency of the Sub-Fund, to U.S. Dollar which is the presentation currency of the Aggregate financial statements.

The average exchange rate used for this purpose was EUR1=US\$1.1176 (31 December 2018: EUR1=US\$1.1771). The spot rate used was 31 December 2019: EUR1=US\$1.1217 (31 December 2018: EUR1=US\$1.1457)

## 13. SHARE CAPITAL AND REDEEMABLE PARTICIPATING SHARES

### *Management Shares and Redeemable Participating Shares*

The authorised share capital of the Fund is €38,091 divided into 38,091 management shares of €1.00 each and 500,000,000,000 shares of no par value initially designated unclassified shares.

The issued management share capital of the Fund is €7 divided into seven management shares of €1.00 each of which €7 has been paid up and which are beneficially owned by Brandes LP (four shares) and the Manager (three shares). Shares do not entitle the holders to any dividend and on a winding down entitle the holder to receive the amount paid up thereon but not otherwise to participate in the assets of the Fund.

The Net Assets Attributable to Holders of Redeemable Participating Shares are at all times equal to the NAV of the Fund. The Redeemable Participating Shares are in substance a liability of the Fund to its shareholders, under FRS 102, as they can be redeemed at the option of the shareholder.

During the financial year under review the Fund issued Redeemable Participating Shares representing different classes of shares as a consequence of different fee structures in relation to distribution fees, dividend policy and currency hedging policy applied to each share class.

Share Activity during the financial year ended 31 December 2019:

Brandes Global Value Fund	US Dollar Class A	Euro Class A	Sterling Class A	Sterling Class A1
	Number	Number	Number	Number
Balance at beginning of the financial year	572,738	192,817	9,135	1
Issued during the financial year	25,484	40,362	-	-
Redeemed during the financial year	(73,951)	(65,061)	(4,555)	-
Balance at end of the financial year	524,271	168,118	4,580	1
	US\$	US\$	US\$	US\$
Subscriptions during the financial year	559,921	872,895	-	-
Redemptions during the financial year	(1,699,517)	(1,420,170)	(149,235)	-

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### 13. SHARE CAPITAL AND REDEEMABLE PARTICIPATING SHARES (Continued)

Share Activity during the financial year ended 31 December 2019 (Continued):

<b>Brandes Global Value Fund</b>	<b>US Dollar Class I Number</b>	<b>Euro Class I Number</b>	<b>Sterling Class I Number</b>	<b>Sterling Class I1 Number</b>
Balance at beginning of the financial year	608,968	1,854,616	336,815	7,244
Issued during the financial year	303,420	31,854	-	143
Redeemed during the financial year	(107,581)	(712,523)	(336,814)	-
Balance at end of the financial year	804,807	1,173,947	1	7,387

	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Subscriptions during the financial year	8,858,400	827,468	-	2,306
Redemptions during the financial year	(3,187,298)	(19,374,279)	(13,547,840)	-

<b>Brandes European Value Fund</b>	<b>US Dollar Class A Number</b>	<b>Euro Class A Number</b>	<b>Euro Class A1 Number</b>	<b>Sterling Class A Number</b>
Balance at beginning of the financial year	171,116	1,994,592	43,071	321,969
Issued during the financial year	-	452,024	16,783	-
Redeemed during the financial year	(27,414)	(1,976,575)	(50,754)	(661)
Balance at end of the financial year	143,702	470,041	9,100	321,308

	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Subscriptions during the financial year	-	11,048,620	159,671	-
Redemptions during the financial year	(649,498)	(48,818,962)	(483,290)	(15,873)

<b>Brandes European Value Fund</b>	<b>US Dollar Class I Number</b>	<b>Euro Class I Number</b>	<b>Euro Class I1 Number</b>	<b>Sterling Class I Number</b>
Balance at beginning of the financial year	122,675	13,161,875	81,130	25,648
Issued during the financial year	-	2,378,588	55,486	1,811
Redeemed during the financial year	(81,870)	(8,949,231)	(24,982)	(9,158)
Balance at end of the financial year	40,805	6,591,232	111,634	18,301

	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Subscriptions during the financial year	-	88,753,771	600,259	60,236
Redemptions during the financial year	(2,106,767)	(329,770,061)	(258,470)	(301,289)

<b>Brandes European Value Fund</b>	<b>Sterling Class I1 Number</b>
Balance at beginning of the financial year	570,897
Issued during the financial year	39,580
Redeemed during the financial year	(593,347)
Balance at end of the financial year	17,130

	<b>EUR</b>
Subscriptions during the financial year	499,653
Redemptions during the financial year	(7,599,512)

<b>Brandes U.S. Value Fund</b>	<b>US Dollar Class A Number</b>	<b>Euro Class A Number</b>	<b>Sterling Class A Number</b>	<b>US Dollar Class I Number</b>
Balance at beginning of the financial year	3,092,725	235,731	14,014	2,321,510
Issued during the financial year	531,275	121,391	26	3,737,191
Redeemed during the financial year	(1,830,557)	(118,118)	(10,136)	(1,264,516)
Balance at end of the financial year	1,793,443	239,004	3,904	4,794,185

	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Subscriptions during the financial year	11,523,962	2,900,078	738	53,453,156
Redemptions during the financial year	(40,214,790)	(2,847,856)	(300,552)	(18,634,974)

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### 13. SHARE CAPITAL AND REDEEMABLE PARTICIPATING SHARES (Continued)

Share Activity during the financial year ended 31 December 2019 (Continued):

<b>Brandes U.S. Value Fund</b>		<b>Euro Class I Number</b>
Balance at beginning of the financial year		29,503
Issued during the financial year		57,939
Redeemed during the financial year		(7,182)
Balance at end of the financial year		<u>80,260</u>

	<b>US\$</b>
Subscriptions during the financial year	1,950,452
Redemptions during the financial year	(237,805)

<b>Brandes Emerging Markets Value Fund</b>				
	<b>US Dollar Class A Number</b>	<b>Euro Class A Number</b>	<b>US Dollar Class I Number</b>	<b>Euro Class I Number</b>
Balance at beginning of the financial year	326,678	191,961	1,194,031	584,295
Issued during the financial year	14,486	49,548	345,128	91,342
Redeemed during the financial year	(94,903)	(108,908)	(405,339)	(93,367)
Balance at end of the financial year	<u>246,261</u>	<u>132,601</u>	<u>1,133,820</u>	<u>582,270</u>

	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Subscriptions during the financial year	155,095	689,520	4,359,745	1,403,933
Redemptions during the financial year	(989,253)	(1,533,031)	(5,122,456)	(1,375,966)

Share Activity during the financial year ended 31 December 2018:

<b>Brandes Global Value Fund</b>				
	<b>US Dollar Class A Number</b>	<b>Euro Class A Number</b>	<b>Sterling Class A Number</b>	<b>Sterling Class A1 Number</b>
Balance at beginning of the financial year	800,190	179,294	10,045	1
Issued during the financial year	23,622	77,259	–	–
Redeemed during the financial year	(251,074)	(63,736)	(910)	–
Balance at end of the financial year	<u>572,738</u>	<u>192,817</u>	<u>9,135</u>	<u>1</u>

	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Subscriptions during the financial year	566,265	1,736,586	–	–
Redemptions during the financial year	(6,039,780)	(1,444,364)	(34,508)	–

<b>Brandes Global Value Fund</b>				
	<b>US Dollar Class I Number</b>	<b>Euro Class I Number</b>	<b>Sterling Class I Number</b>	<b>Sterling Class I1 Number</b>
Balance at beginning of the financial year	3,734,852	1,726,672	336,815	1,535,591
Issued during the financial year	260,781	367,812	–	159
Redeemed during the financial year	(3,386,665)	(239,868)	–	(1,528,506)
Balance at end of the financial year	<u>608,968</u>	<u>1,854,616</u>	<u>336,815</u>	<u>7,244</u>

	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Subscriptions during the financial year	8,055,649	9,375,712	–	2,935
Redemptions during the financial year	(100,303,557)	(6,529,006)	–	(28,632,618)

<b>Brandes European Value Fund</b>				
	<b>US Dollar Class A Number</b>	<b>Euro Class A Number</b>	<b>Euro Class A1 Number</b>	<b>Sterling Class A Number</b>
Balance at beginning of the financial year	228,817	2,360,474	141,568	323,771
Issued during the financial year	36,138	274,460	8,292	2,535
Redeemed during the financial year	(93,839)	(640,342)	(106,789)	(4,337)
Balance at end of the financial year	<u>171,116</u>	<u>1,994,592</u>	<u>43,071</u>	<u>321,969</u>

	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Subscriptions during the financial year	916,646	6,979,170	85,564	62,364
Redemptions during the financial year	(2,322,687)	(16,375,382)	(1,111,205)	(105,087)

*Notes continue on the next page*

### 13. SHARE CAPITAL AND REDEEMABLE PARTICIPATING SHARES (Continued)

Share Activity during the financial year ended 31 December 2018 (Continued):

<b>Brandes European Value Fund</b>	<b>US Dollar Class I Number</b>	<b>Euro Class I Number</b>	<b>Euro Class I1 Number</b>	<b>Sterling Class I Number</b>
Balance at beginning of the financial year	132,931	14,912,371	21,475	169,123
Issued during the financial year	34,852	2,258,853	159,316	164,002
Redeemed during the financial year	(45,108)	(4,009,349)	(99,661)	(307,477)
Balance at end of the financial year	122,675	13,161,875	81,130	25,648

	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Subscriptions during the financial year	968,958	85,086,246	1,819,612	5,637,190
Redemptions during the financial year	(1,203,491)	(150,302,723)	(1,137,930)	(10,088,936)

<b>Brandes European Value Fund</b>	<b>Sterling Class I1 Number</b>
Balance at beginning of the financial year	441,738
Issued during the financial year	230,104
Redeemed during the financial year	(100,945)
Balance at end of the financial year	570,897

	<b>EUR</b>
Subscriptions during the financial year	3,101,772
Redemptions during the financial year	(1,368,263)

<b>Brandes U.S. Value Fund</b>	<b>US Dollar Class A Number</b>	<b>Euro Class A Number</b>	<b>Sterling Class A Number</b>	<b>US Dollar Class I Number</b>
Balance at beginning of the financial year	3,058,574	382,724	14,709	762,911
Issued during the financial year	611,200	78,731	2,705	1,947,272
Redeemed during the financial year	(577,049)	(225,724)	(3,400)	(388,673)
Balance at end of the financial year	3,092,725	235,731	14,014	2,321,510

	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Subscriptions during the financial year	13,135,322	1,894,373	75,005	27,245,981
Redemptions during the financial year	(12,240,451)	(5,227,580)	(96,954)	(5,606,056)

<b>Brandes U.S. Value Fund</b>	<b>Euro Class I Number</b>
Balance at beginning of the financial year	116,616
Issued during the financial year	183
Redeemed during the financial year	(87,296)
Balance at end of the financial year	29,503

	<b>US\$</b>
Subscriptions during the financial year	5,820
Redemptions during the financial year	(2,768,206)

<b>Brandes Emerging Markets Value Fund</b>	<b>US Dollar Class A Number</b>	<b>Euro Class A Number</b>	<b>US Dollar Class I Number</b>	<b>Euro Class I Number</b>
Balance at beginning of the financial year	295,482	398,499	1,701,740	875,373
Issued during the financial year	146,870	117,066	418,446	37,365
Redeemed during the financial year	(115,674)	(323,604)	(926,155)	(328,443)
Balance at end of the financial year	326,678	191,961	1,194,031	584,295

	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Subscriptions during the financial year	1,708,265	1,522,404	5,522,666	632,316
Redemptions during the financial year	(1,178,395)	(4,247,589)	(11,932,088)	(5,552,423)

*Notes continue on the next page*

## 14. DISTRIBUTION

The following distributions were declared by the Sub-Funds to holders of Redeemable Participating Shares and were paid during the financial year end in respect of the year from 1 January 2019 to 31 December 2019:

	Distribution rate per share	Total Distribution*
<b>Brandes European Value Fund</b>		
Euro Class A1	EUR 0.230789	EUR 2,100
Euro Class I1	EUR 0.335006	EUR 37,398
Sterling Class I1	GBP 0.343874	GBP 5,891
<b>Brandes Global Value Fund</b>		
Sterling Class A1	GBP 0.728956	GBP 1
Sterling Class I1	GBP 0.412646	GBP 3,048

\* See page 5 for details of declared, payable and ex-date of distributions.

## 15. EQUALISATION

As of 31 December 2019, equalisation operated on all Sub-Funds (31 December 2018: on the Brandes Global Value Fund and the Brandes European Value Fund). The net effect of equalisation adjustments on subscriptions and redemptions are disclosed in the tables below.

<b>Brandes Global Value Fund</b>	2019 US\$	2018 US\$
US Dollar Class A Shares	(97,500)	(345,382)
Euro Class A Shares	(43,884)	19,729
Sterling Class A Shares	(13,376)	(1,713)
Sterling Class A1 Shares	-	-
US Dollar Class I Shares	566,103	(8,177,410)
Euro Class I Shares	(2,089,822)	370,136
Sterling Class I Shares	(1,734,063)	-
Sterling Class I1 Shares	6	(65,154)

<b>Brandes European Value Fund</b>	2019 EUR	2018 EUR
US Dollar Class A	(85,343)	-
Euro Class A	(6,294,051)	-
Sterling Class A	(666)	-
US Dollar Class I	(242,029)	-
Euro Class I Shares	(22,890,823)	(3,698,402)
Euro Class I1 Shares	17,006	(18,867)
Euro Class A1 Shares	(9,052)	(101)
Sterling Class I Shares	(28,599)	(424,548)
Sterling Class I1 Shares	(21,417)	30,550

<b>Brandes U.S. Value Fund</b>	2019 US\$	2018 US\$
Euro Class A	-	-
Euro Class I	224,516	-
Sterling Class A	(1,454)	-
US Dollar Class A	(14,071)	-
US Dollar Class I	201,338	-

<b>Brandes Emerging Markets Fund</b>	2019 US\$	2018 US\$
Euro Class A	(46,458)	-
Euro Class I	(11,116)	-
US Dollar Class A	(15,422)	-
US Dollar Class I	53,173	-

## 16. STOCK LENDING ACTIVITIES

During the financial year ended 31 December 2019, the Fund did not engage in approved stock lending transactions whereby it may have disposed of securities to a counterparty in return for which it would have been agreed that securities of the same kind and amount would have been transferred back to the Fund at a later date. The stock lending activities are conducted through State Street Global Markets. Stock lending transactions have the substance of a loan of the Fund's securities in return for collateral. The Fund receives fee in return for this loan of its securities.

The aggregate value of securities on loan and value of the collateral held by the Sub-Funds as at 31 December 2019 US\$ Nil (31 December 2018: US\$ Nil).

The income earned together with the related expenses, for the financial year ended 31 December 2019 and 31 December 2018, is disclosed in the tables below.

31 December 2019	Brandes Global Value Fund US\$	Brandes European Value Fund US\$	Brandes U.S. Value Fund US\$	Brandes Emerging Markets Value Fund US\$
Stock Lending Income (Gross)	8,513	178,656	-	-
Agency Fees	(2,127)	(33,379)	-	-
Stock Lending Income (Net)	6,386	145,277	-	-

31 December 2018	Brandes Global Value Fund US\$	Brandes European Value Fund US\$	Brandes U.S. Value Fund US\$	Brandes Emerging Markets Value Fund US\$
Stock Lending Income (Gross)	-	35,256	-	-
Agency Fees	-	(8,935)	-	-
Stock Lending Income (Net)	-	26,321	-	-

## 17. RELATED PARTY AND CONNECTED PARTY TRANSACTIONS

FRS 102 "Related Party Disclosures" requires the disclosure of information relating to material transactions with parties who are deemed to be related to the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

*Notes continue on the next page*

## 17. RELATED PARTY AND CONNECTED PARTY TRANSACTIONS (Continued)

The Fund's connected and related parties include the Directors, the Administrator, the Manager and the Depository. Amounts incurred during the financial year and amounts due as at the Statement of Financial Position date in relation to these parties are detailed in Notes 3 and 5. As at 31 December 2019, all Directors of the Fund were also Directors of the Manager.

- (i) During the reporting period Oliver Murray was a member of Brandes LP, a distributor of the Fund and sister company to the Manager, Brandes Investment Partners (Europe) Limited. As distributor, Brandes LP earned a fee of US\$1,131,945 for the financial year ended 31 December 2019 (31 December 2018: US\$1,428,246), of which US\$247,581 (31 December 2018: US\$324,443) was outstanding at the financial year end. These fees are paid to certain sub-distributors in accordance with the outstanding agreements between the Fund and those sub-distributors.
- (ii) During the reporting period, Adam Mac Nulty and Dylan Turner were employees of Brandes Investment Partners (Europe) Limited, the Fund's manager (formerly investment manager). As manager, Brandes Investment Partners (Europe) Limited earned a fee of US\$5,481,032 (31 December 2018: US\$7,237,990) during the financial year of which US\$358,179 (31 December 2018: US\$491,541) was outstanding at the financial year end.
- (iii) As of 31 December 2019 Gerald Moloney, an independent non-executive Director held 9,000 (31 December 2018: 9,000) shares in Brandes U.S. Value Fund Euro Class I and 4,000 (31 December 2018: 4,000) shares in Brandes Emerging Markets Value Fund Euro Class I.
- (iv) The Fund incurred Directors' and officers' indemnity and Fund reimbursement liability insurance for the financial year ended 31 December 2019 of US\$34,242 (31 December 2018: US\$35,372).
- (v) As at 31 December 2019 Brandes LP held 4 (31 December 2018: 4) management shares.
- (vi) As at 31 December 2019 Brandes Investment Partners (Europe) Limited held 3 (31 December 2018: 3) management shares.

The Board is not aware of any transactions with connected persons during the financial year ended 31 December 2019 other than those disclosed in these financial statements.

## 18. CONTINGENT ASSETS AND LIABILITIES

The Brandes U.S. Value Fund, a sub-fund of the Fund, is a named defendant, along with thousands of other entities and individuals, in a claim brought by creditors of a U.S. company, Tribune Company, in connection with the tendering or converting of shares of such company in a leveraged buyout. This multi-district proceeding, consisting of two main consolidated actions (the "Committee Action" and the "Individual Creditor Action"), commenced in November 2010 and is currently at the pleadings stage. On January 17, 2017, the trial judge in the Southern District of New York granted the shareholder defendants' motion to dismiss Count 1 of the Fifth Amended Complaint in the Committee Action, which was the primary claim against the non-insider shareholder defendants in the Committee Action. It is uncertain whether appellate review will be sought, although on February 13, 2017 the trial judge issued an order at plaintiff's request indicating he would certify his ruling for an interlocutory appeal pending resolution of other motions to dismiss. On April 23, 2019, the trial judge denied the plaintiff trustee's request to amend the complaint to state an alternative claim against the shareholder defendants, and thus, claims against the non-insider shareholder defendants remain dismissed, pending any appellate remedies. In the Individual Creditor Action, the U.S. Second Circuit Court of Appeals previously affirmed the trial court's dismissal of certain state law claims as preempted by the U.S. federal bankruptcy laws. The plaintiffs have filed a writ of certiorari with the United States Supreme Court challenging the dismissal, which was opposed, and is still pending. A stay of most discovery remains in effect and no trial date has been set.

The Brandes U.S. Value Fund had approximately 23,517 such shares repurchased by this company in 2007 for total proceeds of approximately US\$799,578. It is too soon to predict the outcome, but the Manager expects that any claims against the Brandes U.S. Value Fund will continue to be contested.

## 19. SUBSEQUENT EVENTS

Certain impacts to public health conditions particular to the coronavirus (COVID-19) outbreak that occurred subsequent to year end may have a significant impact on the operations and profitability of the Fund and its Sub-Funds. The extent of the impact to the financial performance of the Fund and its Sub-Funds will depend on future developments, including (i) the duration and spread of the outbreak, (ii) the restrictions and advisories, (iii) the effects on the financial markets, and (iv) the effects on the economy overall, all of which are highly uncertain and cannot be predicted.

There have been no other significant subsequent events affecting the Fund since the end of the financial year.

## 20. APPROVAL OF THE FINANCIAL STATEMENTS

The Board approved the annual report and financial statements on 2 April 2020.

**PORTFOLIO CHANGES – MATERIAL ACQUISITIONS (UNAUDITED)**

In accordance with the UCITS Regulations the annual report needs to document material changes that have occurred in the disposition of the assets of the Sub-Funds during the financial year. A material change is defined as aggregate purchases of a security exceeding 1 per cent of the total value of purchases for the financial period or aggregate disposals greater than 1 per cent of the total value of sales. If there were fewer than 20 purchases that met the material changes definition, the Sub-Funds shall disclose those purchases and such number of the next largest purchases so that at least 20 purchases are disclosed. If there are fewer than 20 sales that met the material changes definition, the Sub-Funds shall disclose those sales and such number of the next largest sales so that at least 20 sales are disclosed.

The purchases and sales of the Sub-Fund in relation to money market instruments for cash management purposes have been excluded from the below.

Schedule of material acquisitions of investments for the financial year ended 31 December 2019.

	<u>Nominal</u>	<u>Value US\$</u>
Cigna Corp.	7,666	1,168,954
CVS Health Corp.	19,263	1,149,771
Halliburton Co.	52,169	1,123,988
FedEx Corp.	5,171	765,125
J Sainsbury plc	154,280	505,732
Citigroup Inc.	5,231	324,157
UBS Group AG	21,881	280,307
McKesson Corp.	2,092	262,932
Kingfisher plc	81,450	230,624
Publicis Groupe SA	4,242	225,501
Sanofi	2,673	225,213
Wells Fargo & Co.	4,599	223,429
GlaxoSmithKline plc	10,413	205,471
Engie SA	11,140	173,695
Cardinal Health Inc.	3,478	172,299
Imperial Tobacco Group plc	5,034	164,158
Schneider Electric SE	2,206	154,937
Embraer SA	27,700	142,474
Bank of New York Mellon Corp.	2,725	142,041
WPP plc	12,086	133,009
Credit Suisse Group AG	11,153	133,008
Bank of America Corp.	4,607	132,271
Fibra Uno Administracion SA de CV	100,080	130,381
Tesco plc	42,490	123,219
Nokia Oyj	20,453	123,150
American International Group Inc.	2,850	121,428
China Mobile Ltd.	11,000	114,894
PepsiCo Inc.	1,006	112,164
BP plc	16,743	111,729

**PORTFOLIO CHANGES – MATERIAL DISPOSALS (UNAUDITED)**

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The purchases and sales of the Sub-Fund in relation to money market instruments for cash management purposes have been excluded from the below.

Schedule of material disposals of investments for the financial year ended 31 December 2019.

	<u>Nominal</u>	<u>Value US\$</u>
Lukoil PJSC Sponsored ADR	19,579	1,642,936
Schneider Electric SE	17,036	1,581,379
GlaxoSmithKline plc	66,209	1,399,251
Sanofi	13,798	1,212,899
Pfizer Inc.	28,742	1,211,975
BP plc	177,973	1,211,829
Merck & Co., Inc.	13,195	1,105,270
Citigroup Inc.	15,670	1,087,152
Swiss Re AG	9,273	996,044
Gazprom PJSC Sponsored ADR	143,558	968,348
Bank of New York Mellon Corp.	16,914	817,048
Engie SA	47,710	755,981
China Mobile Ltd.	72,000	718,691
American International Group Inc.	14,100	716,703
Bank of America Corp.	21,254	652,067
Emerson Electric Co.	9,032	637,581
Imperial Tobacco Group plc	23,266	631,268
McKesson Corp.	4,584	625,586
Hyundai Motor Co.	5,780	624,298
Tesco plc	204,840	613,636
Cardinal Health Inc.	10,941	580,568
Embraer SA	117,100	574,666
Wells Fargo & Co.	11,076	565,689
Nokia Oyj	110,561	546,936
Fibra Uno Administracion SA de CV	361,796	517,281
PepsiCo Inc.	3,992	516,001
Apache Corp.	21,534	515,799
UBS Group AG	41,978	512,005
Laboratory Corp of America Holdings	2,897	477,849
TOTAL SA	8,713	474,277
Marks & Spencer Group plc	160,857	473,767
Microsoft Corp.	3,337	440,334
J Sainsbury plc	149,544	437,682
WPP plc	35,790	427,839
Credit Suisse Group AG	34,115	426,157
State Street Corp.	5,837	420,661
Eni SpA	25,931	418,852
HCA Healthcare Inc.	2,882	407,454
Kingfisher plc	135,846	402,956
Genting Bhd	237,000	382,155
HSBC Holdings plc	46,980	375,375
Honda Motor Co., Ltd.	13,100	371,345
Hyundai Mobis Co., Ltd.	1,789	361,683
NXP Semiconductors NV	3,295	350,548
Publicis Groupe SA	7,160	350,283
Samsung Electronics Co., Ltd. Preference Shares	10,251	347,991
Erste Group Bank AG	9,709	347,334

**PORTFOLIO CHANGES – MATERIAL ACQUISITIONS (UNAUDITED)**

In accordance with the UCITS Regulations the annual report needs to document material changes that have occurred in the disposition of the assets of the Sub-Funds during the financial year. A material change is defined as aggregate purchases of a security exceeding 1 per cent of the total value of purchases for the financial period or aggregate disposals greater than 1 per cent of the total value of sales. If there were fewer than 20 purchases that met the material changes definition, the Sub-Funds shall disclose those purchases and such number of the next largest purchases so that at least 20 purchases are disclosed. If there are fewer than 20 sales that met the material changes definition, the Sub-Funds shall disclose those sales and such number of the next largest sales so that at least 20 sales are disclosed.

The purchases and sales of the Sub-Fund in relation to money market instruments for cash management purposes have been excluded from the below.

Schedule of material acquisitions of investments for the financial year ended 31 December 2019.

	<u>Nominal</u>	<u>Value €</u>
BNP Paribas InstiCash Fund	53,108,577	222,630,659
Bankia SA	2,672,003	6,205,707
BASF SE	95,217	6,060,403
J Sainsbury plc	2,304,254	5,905,424
Addiko Bank AG	287,016	4,592,256
TOTAL SA	94,743	4,535,937
Swatch Group AG	80,412	4,045,060
BNP Paribas SA	84,008	3,365,276
Societe BIC SA	43,959	2,849,670
GEA Group AG	128,230	2,683,262
De La Rue plc	798,537	2,651,208
Vicat SA	62,513	2,410,761
CRH plc	92,696	2,342,815
Commerzbank AG	433,044	2,282,223
Schneider Electric SE	31,352	2,201,537
Danieli & C Officine Meccaniche SpA Savings Shares	161,357	2,014,391
Imperial Tobacco Group plc	84,090	1,944,131
HSBC Holdings plc	225,000	1,642,663
Balfour Beatty plc	571,067	1,577,107
Publicis Groupe SA	36,958	1,534,387

**PORTFOLIO CHANGES – MATERIAL DISPOSALS (UNAUDITED)**

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The purchases and sales of the Sub-Fund in relation to money market instruments for cash management purposes have been excluded from the below.

Schedule of material disposals of investments for the financial year ended 31 December 2019.

	<u>Nominal</u>	<u>Value €</u>
BNP Paribas InstiCash Fund	71,141,965	225,704,609
GlaxoSmithKline plc	777,481	14,790,293
Sanofi	161,776	13,043,110
D'ieteren SA/NV	276,627	11,929,674
Engie SA	786,584	10,877,361
Carrefour SA	632,740	10,185,926
Lukoil PJSC Sponsored ADR	118,241	8,985,476
Credit Suisse Group AG	781,375	8,711,601
Telecom Italia SpA Savings Shares	17,123,032	8,553,006
Gazprom PJSC	2,998,266	8,389,360
Tesco plc	3,021,933	8,169,453
Eni SpA	591,917	8,140,699
WPP plc	733,106	8,129,419
C&C Group plc	2,053,357	8,027,987
NXP Semiconductors NV	80,130	7,566,291
Buzzi Unicem SpA Savings Shares	587,145	7,563,776
Swiss Re AG	76,633	6,969,341
Orange SA	480,946	6,723,509
Surgutneftgaz PJSC Preference Shares	13,449,691	6,562,103
CRH plc	205,273	6,510,389
Hyve Group plc	7,322,988	6,138,122
Repsol SA	444,358	6,091,702
Cie de St-Gobain	166,404	5,864,425
Nokia Oyj	1,325,344	5,856,462
Schneider Electric SE	72,814	5,810,450



**PORTFOLIO CHANGES – MATERIAL ACQUISITIONS (UNAUDITED)**

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The purchases and sales of the Sub-Fund in relation to money market instruments for cash management purposes have been excluded from the below.

Schedule of material acquisitions of investments for the financial year ended 31 December 2019.

	<u>Nominal</u>	<u>Value US\$</u>
Halliburton Co	107,474	2,619,036
FedEx Corp.	15,143	2,532,001
Amdocs Ltd.	34,894	2,023,851
Citigroup Inc	26,073	1,691,973
Comcast Corp.	42,209	1,649,339
Cognizant Technology Solutions Corp.	23,779	1,631,637
Cigna Corp.	9,236	1,627,603
McKesson Corp.	11,970	1,542,749
CVS Health Corp.	24,699	1,524,381
Wells Fargo & Co	28,259	1,434,606
Laboratory Corp. of America Holdings	9,507	1,330,576
Bank of New York Mellon Corp.	25,448	1,312,926
Merck & Co., Inc.	16,878	1,256,677
Westlake Chemical Corp.	20,378	1,222,229
Ingredion Inc	15,158	1,201,989
Bank of America Corp.	38,153	1,114,877
American International Group Inc.	23,698	1,050,361
Omnicom Group Inc	13,756	1,049,179
Fox Corp.	29,643	1,026,380
Cardinal Health Inc	20,574	985,722
Cisco Systems Inc	20,482	947,899
Truist Financial Corp.	17,525	862,411
Alphabet Inc	762	825,176
US Bancorp.	40,763	824,072
Taylor Morrison Home Corp.	43,404	821,325
Oracle Corp.	16,444	812,992
State Street Corp.	11,154	801,376
Avnet Inc	19,260	798,718
Pfizer Inc	19,356	796,369
PNC Financial Services Group Inc	5,380	669,243
MDC Holdings Inc	21,809	654,578
Briggs & Stratton Corp.	50,467	639,343
Emerson Electric Co	9,970	634,288
Flex Ltd.	64,848	629,549
Gilead Sciences Inc.	9,103	622,354
Old Republic International Corp.	28,360	593,830
World Fuel Services Corp.	24,447	592,621
AMERCO	1,688	591,011
Johnson & Johnson	4,490	576,713
JPMorgan Chase & Co.	5,454	563,559
Chevron Corp.	4,948	563,091
HCA Healthcare Inc.	4,188	560,088
Jefferies Financial Group Inc.	27,481	557,136

**PORTFOLIO CHANGES – MATERIAL DISPOSALS (UNAUDITED)**

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The purchases and sales of the Sub-Fund in relation to money market instruments for cash management purposes have been excluded from the below.

Schedule of material disposals of investments for the financial year ended 31 December 2019.

	<u>Nominal</u>	<u>Value US\$</u>
MDC Holdings Inc	61,403	2,515,297
World Fuel Services Corp.	65,932	2,503,752
Walt Disney Co	18,578	2,075,366
Procter & Gamble Co.	18,569	1,876,520
Fabrinet	30,705	1,718,021
Merck & Co., Inc.	17,737	1,442,187
Oracle Corp.	23,942	1,389,801
Bank of America Corp.	43,453	1,292,888
PNC Financial Services Group Inc	8,649	1,244,486
Pfizer Inc	29,096	1,224,915
Citigroup Inc	16,942	1,162,530
American International Group Inc.	21,712	1,140,252
McKesson Corp.	8,150	1,087,401
Laboratory Corp. of America Holdings	6,453	1,080,959
Comcast Corp.	24,401	1,038,763
Omnicom Group Inc	12,747	1,033,705
Wells Fargo & Co	19,620	930,194
Amdocs Ltd.	13,931	855,645
Truist Financial Corp.	16,293	806,900
Alphabet Inc	705	797,066
Cognizant Technology Solutions Corp.	11,957	787,630
Fifth Third Bancorp	26,744	732,308
Bank of New York Mellon Corp.	16,139	728,037
Cardinal Health Inc	15,452	723,082
Avnet Inc	16,369	717,682
Microsoft Corp.	5,122	684,480
Taylor Morrison Home Corp.	32,464	658,045
Apache Corp.	26,079	628,301
Emerson Electric Co	9,258	611,954
State Street Corp.	10,403	602,903
AMERCO	1,560	590,490
Old Republic International Corp.	26,246	585,685
Johnson & Johnson	4,188	575,307
JPMorgan Chase & Co.	5,106	565,489
Chevron Corp.	4,531	564,092
Cigna Corp.	3,170	531,154
US Bancorp.	26,704	531,087
HCA Healthcare Inc.	3,824	516,477
Jefferies Financial Group Inc.	25,354	507,360
Gilead Sciences Inc.	7,508	496,058
Applied Materials Inc.	10,433	462,773

**PORTFOLIO CHANGES – MATERIAL ACQUISITIONS (UNAUDITED)**

In accordance with the UCITS Regulations the annual report needs to document material changes that have occurred in the disposition of the assets of the Sub-Funds during the financial year. A material change is defined as aggregate purchases of a security exceeding 1 per cent of the total value of purchases for the financial period or aggregate disposals greater than 1 per cent of the total value of sales. If there were fewer than 20 purchases that met the material changes definition, the Sub-Funds shall disclose those purchases and such number of the next largest purchases so that at least 20 purchases are disclosed. If there are fewer than 20 sales that met the material changes definition, the Sub-Funds shall disclose those sales and such number of the next largest sales so that at least 20 sales are disclosed.

The purchases and sales of the Sub-Fund in relation to money market instruments for cash management purposes have been excluded from the below.

Schedule of material acquisitions of investments for the financial year ended 31 December 2019.

	<u>Nominal</u>	<u>Value US\$</u>
Shanghai Pharmaceuticals Holding Co., Ltd.	226,200	483,940
DP World plc	33,984	440,737
America Movil SAB de CV	574,104	402,503
Alibaba Group Holding Ltd. Sponsored ADR	2,270	394,003
Embraer SA Sponsored ADR	19,093	356,507
PetroChina Co., Ltd.	602,000	337,049
Erste Group Bank AG	9,465	313,998
Wynn Macau Ltd.	144,400	295,344
TravelSky Technology Ltd.	131,000	286,355
ZTO Express Cayman Inc. Sponsored ADR	15,006	263,675
Ulker Biskuvi Sanayi AS	79,537	263,486
Baidu Inc. Sponsored ADR	2,580	262,281
Gudang Garam Tbk PT	70,400	249,677
Taiwan Semiconductor Manufacturing Co., Ltd.	34,000	249,561
Petroleo Brasileiro SA Preference Shares	34,700	229,539
Shinhan Financial Group Co., Ltd.	5,049	185,852
Prosegur Cash SA	83,158	182,967
Sberbank of Russia PJSC	42,436	148,551
Siam Commercial Bank PCL	38,200	148,224
Flex Ltd.	17,713	146,958
China Mobile Ltd.	16,500	135,500
Genting Bhd	96,800	135,490
Absa Group Ltd.	12,365	133,515
Cogna Educacao	53,100	129,307
Cemex SAB de CV Sponsored ADR	31,126	122,169
Cia Brasileira de Distribuicao Preference Shares	6,100	120,218
POSCO	620	120,175
China Railway Signal & Communication Corp., Ltd.	185,000	108,679
Bangkok Bank PCL NVDR	15,000	87,096

**PORTFOLIO CHANGES – MATERIAL DISPOSALS (UNAUDITED)**

In accordance with the UCITS Regulations the annual report needs to document material changes that have occurred in the disposition of the assets of the Sub-Funds during the financial year. A material change is defined as aggregate purchases of a security exceeding 1 per cent of the total value of purchases for the financial period or aggregate disposals greater than 1 per cent of the total value of sales. If there were fewer than 20 purchases that met the material changes definition, the Sub-Funds shall disclose those purchases and such number of the next largest purchases so that at least 20 purchases are disclosed. If there are fewer than 20 sales that met the material changes definition, the Sub-Funds shall disclose those sales and such number of the next largest sales so that at least 20 sales are disclosed.

The purchases and sales of the Sub-Fund in relation to money market instruments for cash management purposes have been excluded from the below.

Schedule of material disposals of investments for the financial year ended 31 December 2019.

	<u>Nominal</u>	<u>Value US\$</u>
Gazprom PJSC	248,457	832,698
X5 Retail Group NV GDR	14,063	454,306
Yue Yuen Industrial Holdings Ltd.	137,000	450,369
Bank Rakyat Indonesia Persero Tbk PT	1,361,400	411,439
Marfrig Global Foods SA	188,800	348,519
Copa Holdings SA	3,465	338,270
Sberbank of Russia PJSC	87,048	316,322
XL Axiata Tbk PT	1,326,700	297,335
Emlak Konut Gayrimenkul Yatirim Ortakligi AS	1,089,087	271,628
Akbank TAS	212,732	266,006
Cogna Educacao	79,300	252,709
China Mobile Ltd.	27,500	250,111
Turkiye Garanti Bankasi AS	149,526	248,825
YPF SA Sponsored ADR	13,386	236,237
Flex Ltd.	21,729	234,732
YDUQS Participacoes	23,400	199,089
Cia Brasileira de Distribuicao Preference Shares	8,600	198,790
Embraer SA Sponsored ADR	9,629	193,564
Grupo Aval Acciones y Valores SA Preference Shares	480,275	191,999
AES Tiete Energia SA	59,500	176,662
Fibra Uno Administracion SA de CV	132,383	171,878
Kia Motors Corp.	5,006	167,936
Cia Paranaense de Energia Preference Shares	16,490	161,268
Enel Chile SA	1,501,931	154,642
Lukoil PJSC Sponsored ADR	1,781	147,623
KT&G Corp.	1,682	141,928
Hyundai Mobis Co., Ltd.	731	140,228
Surgutneftgaz PJSC Preference Shares	214,990	136,914
Telefonica Brasil SA Preference Shares	10,000	127,269
Genting Bhd	73,800	113,065
Jasmine Broadband Internet Infrastructure Fund	312,800	110,688
Hellenic Telecommunications Organization SA	8,183	106,323
Macquarie Mexico Real Estate Management SA de CV	85,212	96,992

**TOTAL EXPENSE RATIO (UNAUDITED)**

For the financial years ended 31 December 2019 and 2018

	<b>2019</b>	<b>2018</b>
<b>Brandes Global Value Fund</b>		
US Dollar Class A	1.20%	1.19%
Euro Class A	1.71%	1.60%
Sterling Class A	1.28%	1.64%
Sterling Class A1	N/A <sup>‡</sup>	N/A <sup>‡</sup>
US Dollar Class I	0.99%	0.89%
Euro Class I	0.98%	0.90%
Sterling Class I	0.94%	0.90%
Sterling Class I1	0.98%	0.86%
<b>Brandes European Value Fund</b>		
US Dollar Class A	1.59%	1.63%
Euro Class A	1.68%	1.66%
Euro Class A1	1.62%	1.81%
Sterling Class A	1.95%	1.66%
US Dollar Class I	0.90%	0.86%
Euro Class I	0.93%	0.88%
Euro Class I1	0.92%	0.86%
Sterling Class I	0.92%	0.86%
Sterling Class I1	0.90%	0.86%
<b>Brandes U.S. Value Fund</b>		
US Dollar Class A	1.66%	1.61%
Euro Class A	1.63%	1.85%
Sterling Class A	1.64%	1.46%
US Dollar Class I	0.98%	0.93%
Euro Class I	0.94%	0.97%
<b>Brandes Emerging Markets Value Fund</b>		
US Dollar Class A	2.04%	1.86%
Euro Class A	2.15%	2.04%
US Dollar Class I	1.25%	1.25%
Euro Class I	1.25%	1.25%

<sup>‡</sup> Share class consisted of 1 share and therefore is too small to calculate the total expense ratio.

Total Expense Ratios are based on the trailing 12 months preceding the dates listed above.

**PERFORMANCE DATA (UNAUDITED)**

For the financial years ended 31 December 2017, 2018 and 2019

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>Inception to 31 December 2019*</b>	<b>Inception Date</b>
<b>Brandes Global Value Fund</b>					
US Dollar Class A	17.57%	(10.63%)	16.05%	5.41%	29 November 2002
Euro Class A	19.46%	(6.82%)	1.23%	4.45%	29 November 2002
Sterling Class A	12.98%	(5.74%)	5.59%	6.33%	29 November 2002
Sterling Class A1	15.40%	(4.37%)	8.78%	8.22%	7 April 2010
US Dollar Class I	17.80%	(10.36%)	16.40%	7.02%	24 September 2002
Euro Class I	20.29%	(6.12%)	2.07%	5.64%	1 November 2002
Sterling Class I	15.04%	(5.05%)	6.39%	7.25%	29 November 2002
Sterling Class I1	13.35%	(5.12%)	6.25%	4.86%	18 April 2007
<b>Brandes European Value Fund</b>					
US Dollar Class A	14.63%	(14.91%)	12.29%	7.36%	12 February 2003
Euro Class A	16.78%	(11.12%)	(1.53%)	6.17%	17 July 2003
Euro Class A1	16.84%	(11.28%)	(1.61%)	2.16%	5 October 2015
Sterling Class A	9.92%	(10.10%)	3.13%	5.62%	27 September 2005
US Dollar Class I	15.32%	(14.47%)	13.01%	7.15%	14 January 2003
Euro Class I	17.83%	(10.40%)	(0.79%)	8.54%	26 February 2003
Euro Class I1	17.93%	(10.44%)	(1.07%)	5.42%	14 June 2016
Sterling Class I	10.99%	(9.90%)	3.18%	7.23%	13 January 2004
Sterling Class I1	10.62%	(9.43%)	3.17%	6.09%	10 June 2016
<b>Brandes U.S. Value Fund</b>					
US Dollar Class A	21.07%	(6.55%)	13.70%	5.42%	17 July 2003
Euro Class A	23.61%	(2.38%)	(0.51%)	5.28%	17 July 2003
Sterling Class A	16.32%	(0.87%)	4.07%	6.28%	21 September 2005
US Dollar Class I	21.92%	(5.90%)	14.50%	8.73%	16 April 2014
Euro Class I	24.48%	(1.61%)	0.11%	14.14%	16 March 2011
<b>Brandes Emerging Markets Value Fund</b>					
US Dollar Class A	17.22%	(16.11%)	25.36%	1.71%	27 February 2013
Euro Class A	19.57%	(12.47%)	9.89%	4.13%	11 January 2013
US Dollar Class I	18.25%	(15.62%)	26.26%	3.98%	10 May 2012
Euro Class I	20.79%	(11.73%)	10.73%	6.65%	30 January 2014

*No performance benchmarks are included as none are specified in the Fund's Prospectus. Past performance is no indication of current or future performance. This performance data does not take account of commissions and costs incurred on the issue and redemption of redeemable participating shares.*

\* Performance figures for Inception to 31 December 2019 periods of greater than one year are annualised.

**REMUNERATION POLICY (UNAUDITED)**

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The European Union Directive 2014/91/EU came into effect on 18 March 2016 and was transposed into Irish law on 21 March 2016 via the European Communities (Undertakings for Collective Investments in Transferable Securities) Regulations 2011, as amended ("UCITS Regulations"). Regulation 24(A)(1) of the UCITS Regulations requires companies such as the Fund/Manager to establish and apply remuneration policies and practices that are consistent with and promote sound effective risk management.

Each of the Fund and the Manager have adopted a remuneration policy that is appropriate to the its size, internal organisation and the nature, scope and complexity of its activities. Each remuneration policy applies to certain identified staff whose professional activities have a material impact on the risk profile of the relevant entity. As at 31 December 2019, the Fund did not have any employees and the Fund's remuneration policy applies only to members of the Fund's management body (i.e. the board of directors). As at 31 December 2019, the Manager had nine employees (including the board of directors) and five secondees (designated persons responsible for the monitoring of certain management functions of the Manager) and the Manager's remuneration policy applies only to members of the Manager's management body (i.e. the board of directors) and staff whose professional activities have a material impact on the risk profile of the Manager (together "Identified Staff").

The Directors not affiliated with Manager receive a fixed annual fee which is in line with the fees paid by other Irish funds and compensates these directors for their tasks, expertise and responsibilities. Directors who are employees of the Manager (or an affiliate) are not paid any fees for their services as Directors.

For the financial year end 31 December 2019, only the three Directors not affiliated with the Manager received a fixed annual fee from the Fund in their roles as directors, which was in the aggregate €83,463. None of the Directors are entitled to receive any variable remuneration from the Fund.

The Fund has not paid remuneration to staff of any delegate to whom investment management functions have been delegated by the Fund. Instead, the Fund pays a management fee to the Manager, who has responsibility for the management, investment management and administration of the Fund's affairs and distribution of the Shares, referred to in Note 3.

In accordance to Regulations 24B(1) (b), (c) and (d) of the UCITS Regulations, the remuneration policy and its implementation is reviewed at least annually and it is confirmed that no material changes have been made to the remuneration policy during the year ended 31 December 2019.

**MANAGER'S DISCLOSURES (UNAUDITED)**

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Basis Point: 1/100th of 1%.

Margin of Safety: The discount of a security's market price to what the firm believes is the intrinsic value of that security.

Price/Earnings: Price per share divided by earnings per share.

The FTSE 250 Index represents mid cap stocks traded on the London Stock Exchange which pass screening for size and liquidity.

The MSCI ACWI with net dividends captures large and mid cap representation of developed and emerging markets.

The MSCI ACWI Growth Index captures large and mid cap securities across developed and emerging markets 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 ACWI Value Index captures large and mid cap securities across developed and emerging markets exhibiting value style characteristics, defined using book value to price, 12-month forward earnings to price and dividend yield.

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 Emerging Markets Index with net dividends captures large and mid cap representation of emerging market countries. Data prior to 2001 is gross dividend and linked to the net dividend returns.

The MSCI Europe Growth Index captures large and mid cap securities across developed Europe 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 Europe Index with net dividends captures large and mid cap representation of developed market countries in Europe.

The MSCI Europe Value Index captures large and mid cap securities across developed Europe exhibiting value style characteristics, defined using book value to price, 12-month forward earnings to price, and dividend yield.

The MSCI USA Growth Index captures large and mid cap U.S. securities exhibiting overall growth style characteristics.

The MSCI USA Index measures the performance of the large and mid cap segments of the U.S. equity market.

The MSCI USA Value Index captures large and mid cap U.S. securities exhibiting overall value style characteristics.

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 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 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 Russell 1000 Value Index with gross dividends measures performance of the large cap value segment of the U.S. equity universe. Securities are categorised as growth or value based on their relative book-to-price ratios, historical sales growth, and expected earnings growth.

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.

S&P 500 Value Index measures the performance of the large-capitalisation value sector in the US equity market. It is a subset of the S&P 500 Index and consists of those stocks in the S&P 500 Index exhibiting the strongest value characteristics.



**MANAGER'S DISCLOSURES (UNAUDITED) (continued)**

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Neither the Letter from the Manager or the Manager's Reports (collectively the "Reports") constitute an offer to subscribe for shares in the Brandes Investment Funds plc (the "Fund"). Full details regarding the Fund are set out in the Prospectus for the Fund and a copy of the same can be obtained without cost from the Administrator for the Fund, your financial representative or the Fund's website at [www.brandes.com/ucits](http://www.brandes.com/ucits). The foregoing Reports reflects the thoughts and opinions of Brandes exclusively and is subject to change without notice.

Past performance is not a guarantee of future results. No investment strategy can assure a profit or protect against loss. The information provided in this material should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any security transactions, holdings or sectors discussed were or will be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance discussed herein. Strategies discussed are subject to change at any time by the manager in its discretion due to market conditions or opportunities. Market conditions may impact performance.

Diversification does not assure a profit or protect against a loss in a declining market. This material is intended for informational purposes only. The information provided in this material should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any security transactions, holdings or sectors discussed were or will be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance discussed herein. Portfolio holdings and allocations are subject to change at any time and should not be considered a recommendation to buy or sell particular securities. Strategies discussed herein are subject to change at any time by the Manager in its discretion due to market conditions or opportunities. Indices are unmanaged and are not available for direct investment. Market conditions may impact performance. The performance results presented were achieved in particular market conditions which may not be repeated. Moreover, the current market volatility and uncertain regulatory environment may have a negative impact on future performance. International investing is subject to certain risks such as currency fluctuation and social and political changes which may result in greater share price volatility; such risks are increased when investing in emerging markets. Additional risks associated with emerging markets investing include smaller-sized markets, liquidity risks, and less established legal, political, social and business systems to support securities markets. Emerging markets investments can experience substantial price volatility in the short term and should be considered long-term investments. Investments in small and medium capitalisation companies tend to have limited liquidity and greater price volatility than large capitalisation companies. There is no assurance that forecasts and forward-looking statements will be accurate. Because of the many variables involved, an investor should not rely on them without realising their limitations.

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

**Brandes Investment Partners (Europe) Limited** is regulated by the Central Bank of Ireland and is registered in Ireland at the below address.

Registration number 510203  
Brandes Investment Partners (Europe) Limited  
36 Lower Baggot Street,  
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## NET ASSET VALUE PER SHARE FOR SHAREHOLDER DEALING PURPOSES RECONCILIATION (UNAUDITED)

### BRANDES GLOBAL VALUE FUND

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (FOR FINANCIAL STATEMENT PURPOSES)</b>	1(n)	<u>76,971,357</u>	<u>90,617,286</u>
<b>ADJUSTMENT FROM BID PRICE TO SHAREHOLDER DEALING PRICES</b>		18,166	83,760
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (FOR SHAREHOLDER DEALING PURPOSES)</b>	1(n)	<u>76,989,523</u>	<u>90,701,046</u>
		<u>2019</u>	<u>2018</u>
		<u>2019</u>	<u>2018</u>
<b>US Dollar Class A</b>			
Net asset value for shareholder dealing purposes (US\$)	12,907,987	11,995,595	18,748,926
Number of shares outstanding	524,271	572,738	800,190
Net asset value per share for shareholder dealing purposes (US\$)	24.62	20.94	23.43
<b>Euro Class A</b>			
Net asset value for shareholder dealing purposes (EUR)	3,540,499	3,400,302	3,392,478
Number of shares outstanding	168,118	192,817	179,294
Net asset value per share for shareholder dealing purposes (EUR)	21.06	17.63	18.92
<b>Sterling Class A</b>			
Net asset value for shareholder dealing purposes (£GBP)	130,762	230,811	269,277
Number of shares outstanding	4,580	9,135	10,045
Net asset value per share for shareholder dealing purposes (£GBP)	28.55	25.27	26.81
<b>Sterling Class A1</b>			
Net asset value for shareholder dealing purposes (£GBP)	21	19	19
Number of shares outstanding	1	1	1
Net asset value per share for shareholder dealing purposes (£GBP)	18.03	16.08	17.21
<b>US Dollar Class I</b>			
Net asset value for shareholder dealing purposes (US\$)	25,997,505	16,698,435	114,243,304
Number of shares outstanding	804,807	608,968	3,734,852
Net asset value per share for shareholder dealing purposes (US\$)	32.30	27.42	30.59
<b>Euro Class I</b>			
Net asset value for shareholder dealing purposes (EUR)	30,131,882	39,569,936	39,247,371
Number of shares outstanding	1,173,947	1,854,616	1,726,672
Net asset value per share for shareholder dealing purposes (EUR)	25.67	21.34	22.73
<b>Sterling Class I</b>			
Net asset value for shareholder dealing purposes (£GBP)	33	9,697,500	10,211,480
Number of shares outstanding	1	336,815	336,815
Net asset value per share for shareholder dealing purposes (£GBP)	33.12	28.79	30.32
<b>Sterling Class I1</b>			
Net asset value for shareholder dealing purposes (£GBP)	106,027	93,545	21,262,536
Number of shares outstanding	7,387	7,244	1,535,591
Net asset value per share for shareholder dealing purposes (£GBP)	14.35	12.91	13.85

## NET ASSET VALUE PER SHARE FOR SHAREHOLDER DEALING PURPOSES RECONCILIATION (UNAUDITED)

### BRANDES GLOBAL VALUE FUND (Continued)

The Net Asset Value per Redeemable Participating Share is calculated by dividing the total Net Assets of the Sub-Fund attributable to a particular class by the number of Redeemable Participating Shares of that class in issue.

In accordance with the provisions of the Fund's Prospectus investment positions are valued based on the last traded price at close of business on the relevant valuation for the purposes of determining the NAV per Redeemable Participating Share for shareholder dealing and for various fee calculations. For financial statement purposes investment positions are valued at bid price at the Statement of Financial Position date. The difference between the valuation of investments positions as prescribed by FRS 102 and the methodology indicated in the Fund's Prospectus together with adjustment for transactions on the last trade date are detailed in the following tables.

	<b>31 December 2019</b>	<b>31 December 2018</b>	<b>31 December 2017</b>
<b>US Dollar Class A</b>			
Net asset value for financial statement purposes (US\$)	12,904,941	11,984,517	18,761,780
Add: IAS 39 valuation adjustment (US\$)	3,046	11,078	(12,853)
Add: Trade date adjustment (US\$)	-	-	-
Net asset value for shareholder dealing purposes (US\$)	12,907,987	11,995,595	18,748,926
Shares outstanding	524,271	572,738	800,190
Net asset value per share for shareholder dealing purposes (US\$)	24.62	20.94	23.43
<b>Euro Class A</b>			
Net asset value for financial statement purposes (EUR)	3,539,664	3,397,162	3,394,803
Add: IAS 39 valuation adjustment (EUR)	835	3,140	(2,325)
Add: Trade date adjustment (EUR)	-	-	-
Net asset value for shareholder dealing purposes (EUR)	3,540,499	3,400,302	3,392,478
Shares outstanding	168,118	192,817	179,294
Net asset value per share for shareholder dealing purposes (EUR)	21.06	17.63	18.92
<b>Sterling Class A</b>			
Net asset value for financial statement purposes (£GBP)	130,731	230,598	269,462
Add: IAS 39 valuation adjustment (£GBP)	31	213	(185)
Add: Trade date adjustment (£GBP)	-	-	-
Net asset value for shareholder dealing purposes (£GBP)	130,762	230,811	269,277
Shares outstanding	4,580	9,135	10,045
Net asset value per share for shareholder dealing purposes (£GBP)	28.55	25.27	26.81
<b>Sterling Class A1</b>			
Net asset value for financial statement purposes (£GBP)	21	19	19
Add: IAS 39 valuation adjustment (£GBP)	-	-	-
Add: Trade date adjustment (£GBP)	-	-	-
Net asset value for shareholder dealing purposes (£GBP)	21	19	19
Shares outstanding	1	1	1
Net asset value per share for shareholder dealing purposes (£GBP)	18.03	16.08	17.21
<b>US Dollar Class I</b>			
Net asset value for financial statement purposes (US\$)	25,991,371	16,683,014	114,321,622
Add: IAS 39 valuation adjustment (US\$)	6,134	15,421	(78,318)
Add: Trade date adjustment (US\$)	-	-	-
Net asset value for shareholder dealing purposes (US\$)	25,997,505	16,698,435	114,243,304
Shares outstanding	804,807	608,968	3,734,852
Net asset value per share for shareholder dealing purposes (US\$)	32.30	27.42	30.59
<b>Euro Class I</b>			
Net asset value for financial statement purposes (EUR)	30,124,772	39,533,395	39,274,277
Add: IAS 39 valuation adjustment (EUR)	7,110	36,541	(26,906)
Add: Trade date adjustment (EUR)	-	-	-
Net asset value for shareholder dealing purposes (EUR)	30,131,882	39,569,936	39,247,371
Shares outstanding	1,173,947	1,854,616	1,726,672
Net asset value per share for shareholder dealing purposes (EUR)	25.67	21.34	22.73

## NET ASSET VALUE PER SHARE FOR SHAREHOLDER DEALING PURPOSES RECONCILIATION (UNAUDITED)

### BRANDES GLOBAL VALUE FUND (Continued)

	31 December 2019	31 December 2018	31 December 2017
<b>Sterling Class I</b>			
Net asset value for financial statement purposes (£GBP)	33	9,688,545	10,211,480
Add: IAS 39 valuation adjustment (£GBP)	-	8,955	-
Add: Trade date adjustment (£GBP)	-	-	-
Net asset value for shareholder dealing purposes (£GBP)	33	9,697,500	10,211,480
Shares outstanding	1	336,815	336,815
Net asset value per share for shareholder dealing purposes (£GBP)	33.12	28.79	30.32
<b>Sterling Class I1</b>			
Net asset value for financial statement purposes (£GBP)	106,002	93,459	21,277,112
Add: IAS 39 valuation adjustment (£GBP)	25	86	(14,576)
Add: Trade date adjustment (£GBP)	-	-	-
Net asset value for shareholder dealing purposes (£GBP)	106,027	93,545	21,262,536
Shares outstanding	7,387	7,244	1,535,591
Net asset value per share for shareholder dealing purposes (£GBP)	14.35	12.91	13.85

## NET ASSET VALUE PER SHARE FOR SHAREHOLDER DEALING PURPOSES RECONCILIATION (UNAUDITED)

### BRANDES EUROPEAN VALUE FUND

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (FOR FINANCIAL STATEMENT PURPOSES)</b>	1(n)	<u>289,900,158</u>	<u>511,544,501</u>
<b>ADJUSTMENT FROM BID PRICE TO SHAREHOLDER DEALING PRICES</b>		341,251	1,359,764
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (FOR SHAREHOLDER DEALING PURPOSES)</b>	1(n)	<u>290,241,409</u>	<u>512,904,265</u>
		<u>2019</u>	<u>2018</u>
		<u>2019</u>	<u>2018</u>
<b>US Dollar Class A</b>			
Net asset value for shareholder dealing purposes (US\$)	4,199,787	4,363,507	6,858,286
Number of shares outstanding	143,702	171,116	228,817
Net asset value per share for shareholder dealing purposes (US\$)	29.23	25.50	29.97
<b>Euro Class A</b>			
Net asset value for shareholder dealing purposes (EUR)	12,595,366	45,783,290	60,950,045
Number of shares outstanding	470,041	1,994,592	2,360,474
Net asset value per share for shareholder dealing purposes (EUR)	26.80	22.95	25.82
<b>Euro Class A1</b>			
Net asset value for shareholder dealing purposes (EUR)	95,408	392,648	1,479,009
Number of shares outstanding	9,100	43,071	141,568
Net asset value per share for shareholder dealing purposes (EUR)	10.48	9.12	10.45
<b>Sterling Class A</b>			
Net asset value for shareholder dealing purposes (£GBP)	7,014,096	6,395,546	7,152,369
Number of shares outstanding	321,308	321,969	323,771
Net asset value per share for shareholder dealing purposes (£GBP)	21.83	19.86	22.09
<b>US Dollar Class I</b>			
Net asset value for shareholder dealing purposes (US\$)	1,318,162	3,436,508	4,353,143
Number of shares outstanding	40,805	122,675	132,931
Net asset value per share for shareholder dealing purposes (US\$)	32.30	28.01	32.75
<b>Euro Class I</b>			
Net asset value for shareholder dealing purposes (EUR)	262,176,065	444,301,184	561,890,941
Number of shares outstanding	6,591,232	13,161,875	14,912,371
Net asset value per share for shareholder dealing purposes (EUR)	39.78	33.76	37.68
<b>Euro Class I1</b>			
Net asset value for shareholder dealing purposes (EUR)	1,276,877	809,809	244,951
Number of shares outstanding	111,634	81,130	21,475
Net asset value per share for shareholder dealing purposes (EUR)	11.44	9.98	11.41
<b>Sterling Class I</b>			
Net asset value for shareholder dealing purposes (£GBP)	557,983	704,545	5,156,422
Number of shares outstanding	18,301	25,648	169,123
Net asset value per share for shareholder dealing purposes (£GBP)	30.49	27.47	30.49
<b>Sterling Class I1</b>			
Net asset value for shareholder dealing purposes (£GBP)	200,406	6,212,353	5,431,841
Number of shares outstanding	17,130	570,897	441,738
Net asset value per share for shareholder dealing purposes (£GBP)	11.70	10.88	12.30

## NET ASSET VALUE PER SHARE FOR SHAREHOLDER DEALING PURPOSES RECONCILIATION (UNAUDITED)

### BRANDES EUROPEAN VALUE FUND (Continued)

The NAV per Redeemable Participating Share is calculated by dividing the total Net Assets of the Sub-Fund attributable to a particular class by the number of Redeemable Participating Shares of that class in issue.

In accordance with the provisions of the Fund's Prospectus investment positions are valued based on the last traded price at close of business on the relevant valuation for the purposes of determining the NAV per Redeemable Participating Share for shareholder dealing and for various fee calculations. For financial statement purposes investment positions are valued at bid price at the Statement of Financial Position date. The difference between the valuation of investments positions as prescribed by FRS 102 and the methodology indicated in the Fund's Prospectus together with adjustment for transactions on the last trade date are detailed in the following tables.

	31 December 2019	31 December 2018	31 December 2017
<b>US Dollar Class A</b>			
Net asset value for financial statement purposes (US\$)	4,194,849	4,351,939	6,855,748
Add: IAS 39 valuation adjustment (US\$)	4,938	11,568	2,538
Add: Trade date adjustment (US\$)	-	-	-
Net asset value for shareholder dealing purposes (US\$)	4,199,787	4,363,507	6,858,286
Shares outstanding	143,702	171,116	228,817
Net asset value per share for shareholder dealing purposes (US\$)	29.23	25.50	29.97
<b>Euro Class A</b>			
Net asset value for financial statement purposes (EUR)	12,580,557	45,661,914	60,927,489
Add: IAS 39 valuation adjustment (EUR)	14,809	121,376	22,556
Add: Trade date adjustment (EUR)	-	-	34,657
Net asset value for shareholder dealing purposes (EUR)	12,595,366	45,783,290	60,984,702
Shares outstanding	470,041	1,994,592	2,360,474
Net asset value per share for shareholder dealing purposes (EUR)	26.80	22.95	25.84
<b>Euro Class A1</b>			
Net asset value for financial statement purposes (EUR)	95,295	391,607	1,479,009
Add: IAS 39 valuation adjustment (EUR)	113	1,041	547
Add: Trade date adjustment (EUR)	-	-	-
Net asset value for shareholder dealing purposes (EUR)	95,408	392,648	1,479,556
Shares outstanding	9,100	43,071	141,568
Net asset value per share for shareholder dealing purposes (EUR)	10.48	9.12	10.45
<b>Sterling Class A</b>			
Net asset value for financial statement purposes (£GBP)	7,005,849	6,378,591	7,149,722
Add: IAS 39 valuation adjustment (£GBP)	8,247	16,955	-
Add: Trade date adjustment (£GBP)	-	-	-
Net asset value for shareholder dealing purposes (£GBP)	7,014,096	6,395,546	7,149,722
Shares outstanding	321,308	321,969	323,771
Net asset value per share for shareholder dealing purposes (£GBP)	21.83	19.86	22.08
<b>US Dollar Class I</b>			
Net asset value for financial statement purposes (US\$)	1,316,612	3,427,398	4,351,532
Add: IAS 39 valuation adjustment (US\$)	1,550	9,110	1,611
Add: Trade date adjustment (US\$)	-	-	-
Net asset value for shareholder dealing purposes (US\$)	1,318,162	3,436,508	4,353,143
Shares outstanding	40,805	122,675	132,931
Net asset value per share for shareholder dealing purposes (US\$)	32.30	28.01	32.75
<b>Euro Class I</b>			
Net asset value for financial statement purposes (EUR)	261,867,812	443,123,294	561,890,941
Add: IAS 39 valuation adjustment (EUR)	308,253	1,177,890	207,940
Add: Trade date adjustment (EUR)	-	-	(39,789)
Net asset value for shareholder dealing purposes (EUR)	262,176,065	444,301,184	562,059,092
Shares outstanding	6,591,232	13,161,875	14,912,371
Net asset value per share for shareholder dealing purposes (EUR)	39.78	33.76	37.69

## NET ASSET VALUE PER SHARE FOR SHAREHOLDER DEALING PURPOSES RECONCILIATION (UNAUDITED)

### BRANDES EUROPEAN VALUE FUND (Continued)

	<u>31 December 2019</u>	<u>31 December 2018</u>	<u>31 December 2017</u>
<b>Euro Class I1</b>			
Net asset value for financial statement purposes (EUR)	1,275,376	807,662	244,951
Add: IAS 39 valuation adjustment (EUR)	1,501	2,147	91
Add: Trade date adjustment (EUR)	-	-	-
Net asset value for shareholder dealing purposes (EUR)	1,276,877	809,809	245,042
Shares outstanding	111,634	81,130	21,475
Net asset value per share for shareholder dealing purposes (EUR)	11.44	9.98	11.41
<b>Sterling Class I</b>			
Net asset value for financial statement purposes (£GBP)	557,327	702,677	5,154,514
Add: IAS 39 valuation adjustment (£GBP)	656	1,868	1,908
Add: Trade date adjustment (£GBP)	-	-	-
Net asset value for shareholder dealing purposes (£GBP)	557,983	704,545	5,156,422
Shares outstanding	18,301	25,648	169,123
Net asset value per share for shareholder dealing purposes (£GBP)	30.49	27.47	30.49
<b>Sterling Class I1</b>			
Net asset value for financial statement purposes (£GBP)	200,171	6,195,884	5,429,831
Add: IAS 39 valuation adjustment (£GBP)	235	16,469	2,010
Add: Trade date adjustment (£GBP)	-	-	-
Net asset value for shareholder dealing purposes (£GBP)	200,406	6,212,353	5,431,841
Shares outstanding	17,130	570,897	441,738
Net asset value per share for shareholder dealing purposes (£GBP)	11.70	10.88	12.30

## NET ASSET VALUE PER SHARE FOR SHAREHOLDER DEALING PURPOSES RECONCILIATION (UNAUDITED)

### BRANDES U.S. VALUE FUND

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (FOR FINANCIAL STATEMENT PURPOSES)</b>	1(n)	<u>129,314,081</u>	<u>97,981,064</u>
<b>ADJUSTMENT FROM BID PRICE TO SHAREHOLDER DEALING PRICES</b>		32,166	380
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (FOR SHAREHOLDER DEALING PURPOSES)</b>	1(n)	<u>129,346,247</u>	<u>97,981,444</u>
		<u>2019</u>	<u>2018</u>
		<u>2019</u>	<u>2017</u>
<b>US Dollar Class A</b>			
Net asset value for shareholder dealing purposes (US\$)	42,770,217	60,937,313	64,483,986
Number of shares outstanding	1,793,443	3,092,725	3,058,574
Net asset value per share for shareholder dealing purposes (US\$)	23.85	19.70	21.08
<b>Euro Class A</b>			
Net asset value for shareholder dealing purposes (EUR)	5,579,939	4,453,139	7,406,530
Number of shares outstanding	239,004	235,731	382,724
Net asset value per share for shareholder dealing purposes (EUR)	23.35	18.89	19.35
<b>Sterling Class A</b>			
Net asset value for shareholder dealing purposes (£GBP)	93,230	287,706	304,670
Number of shares outstanding	3,904	14,014	14,709
Net asset value per share for shareholder dealing purposes (£GBP)	23.88	20.53	20.71
<b>US Dollar Class I</b>			
Net asset value for shareholder dealing purposes (US\$)	77,310,139	30,705,561	10,723,676
Number of shares outstanding	4,794,185	2,321,510	762,911
Net asset value per share for shareholder dealing purposes (US\$)	16.13	13.23	14.06
<b>Euro Class I</b>			
Net asset value for shareholder dealing purposes (EUR)	2,570,546	759,046	3,050,046
Number of shares outstanding	80,260	29,503	116,616
Net asset value per share for shareholder dealing purposes (EUR)	32.03	25.73	26.15



## NET ASSET VALUE PER SHARE FOR SHAREHOLDER DEALING PURPOSES RECONCILIATION (UNAUDITED)

### BRANDES U.S. VALUE FUND (Continued)

The NAV per Redeemable Participating Share is calculated by dividing the total Net Assets of the Sub-Fund attributable to a particular class by the number of Redeemable Participating Shares of that class in issue.

In accordance with the provisions of the Fund's Prospectus investment positions are valued based on the last traded price at close of business on the relevant valuation for the purposes of determining the NAV per Redeemable Participating Share for shareholder dealing and for various fee calculations. For financial statement purposes investment positions are valued at bid price at the Statement of Financial Position date. The difference between the valuation of investments positions as prescribed by FRS 102 and the methodology indicated in the Fund's Prospectus together with adjustment for transactions on the last trade date are detailed in the following tables.

	31 December 2019	31 December 2018	31 December 2017
<b>US Dollar Class A</b>			
Net asset value for financial statement purposes (US\$)	42,759,581	60,937,077	64,497,747
Add: IAS 39 valuation adjustment (US\$)	10,636	236	(13,761)
Add: Trade date adjustment (US\$)	-	-	-
Net asset value for shareholder dealing purposes (US\$)	42,770,217	60,937,313	64,483,986
Shares outstanding	1,793,443	3,092,725	3,058,574
Net asset value per share for shareholder dealing purposes (US\$)	23.85	19.70	21.08
<b>Euro Class A</b>			
Net asset value for financial statement purposes (EUR)	5,578,551	4,453,122	7,406,530
Add: IAS 39 valuation adjustment (EUR)	1,388	17	(1,896)
Add: Trade date adjustment (EUR)	-	-	-
Net asset value for shareholder dealing purposes (EUR)	5,579,939	4,453,139	7,404,634
Shares outstanding	239,004	235,731	382,724
Net asset value per share for shareholder dealing purposes (EUR)	23.35	18.89	19.35
<b>Sterling Class A</b>			
Net asset value for financial statement purposes (£GBP)	93,207	287,705	304,670
Add: IAS 39 valuation adjustment (£GBP)	23	1	(88)
Add: Trade date adjustment (£GBP)	-	-	-
Net asset value for shareholder dealing purposes (£GBP)	93,230	287,706	304,581
Shares outstanding	3,904	14,014	14,709
Net asset value per share for shareholder dealing purposes (£GBP)	23.88	20.53	20.71
<b>US Dollar Class I</b>			
Net asset value for financial statement purposes (US\$)	77,290,913	30,705,442	10,725,964
Add: IAS 39 valuation adjustment (US\$)	19,226	119	(2,288)
Add: Trade date adjustment (US\$)	-	-	-
Net asset value for shareholder dealing purposes (US\$)	77,310,139	30,705,561	10,723,676
Shares outstanding	4,794,185	2,321,510	762,911
Net asset value per share for shareholder dealing purposes (US\$)	16.13	13.23	14.06
<b>Euro Class I</b>			
Net asset value for financial statement purposes (EUR)	2,569,907	759,043	3,050,046
Add: IAS 39 valuation adjustment (EUR)	639	3	(781)
Add: Trade date adjustment (EUR)	-	-	-
Net asset value for shareholder dealing purposes (EUR)	2,570,546	759,046	3,049,266
Shares outstanding	80,260	29,503	116,616
Net asset value per share for shareholder dealing purposes (EUR)	32.03	25.73	26.15

## NET ASSET VALUE PER SHARE FOR SHAREHOLDER DEALING PURPOSES RECONCILIATION (UNAUDITED)

### BRANDES EMERGING MARKETS VALUE FUND

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (FOR FINANCIAL STATEMENT PURPOSES)</b>	1(n)	<u>29,511,080</u>	<u>27,192,171</u>
<b>ADJUSTMENT FROM BID PRICE TO SHAREHOLDER DEALING PRICES</b>		70,976	102,292
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (FOR SHAREHOLDER DEALING PURPOSES)</b>	1(n)	<u>29,582,056</u>	<u>27,294,463</u>
		<u>2019</u>	<u>2018</u>
		<u>2019</u>	<u>2017</u>
<b>US Dollar Class A</b>			
Net asset value for shareholder dealing purposes (US\$)	2,765,725	3,128,012	3,373,605
Number of shares outstanding	246,261	326,678	295,482
Net asset value per share for shareholder dealing purposes (US\$)	11.23	9.58	11.42
<b>Euro Class A</b>			
Net asset value for shareholder dealing purposes (EUR)	1,757,827	2,127,899	5,050,908
Number of shares outstanding	132,601	191,961	398,499
Net asset value per share for shareholder dealing purposes (EUR)	13.26	11.09	12.67
<b>US Dollar Class I</b>			
Net asset value for shareholder dealing purposes (US\$)	15,283,154	13,611,439	22,991,043
Number of shares outstanding	1,133,820	1,194,031	1,701,740
Net asset value per share for shareholder dealing purposes (US\$)	13.48	11.40	13.51
<b>Euro Class I</b>			
Net asset value for shareholder dealing purposes (EUR)	8,524,047	7,084,421	12,020,359
Number of shares outstanding	582,270	584,295	875,373
Net asset value per share for shareholder dealing purposes (EUR)	14.64	12.12	13.73

## NET ASSET VALUE PER SHARE FOR SHAREHOLDER DEALING PURPOSES RECONCILIATION (UNAUDITED)

### BRANDES EMERGING MARKETS VALUE FUND (Continued)

The NAV per Redeemable Participating Share is calculated by dividing the total Net Assets of the Sub-Fund attributable to a particular class by the number of Redeemable Participating Shares of that class in issue.

In accordance with the provisions of the Fund's Prospectus investment positions are valued based on the last traded price at close of business on the relevant valuation for the purposes of determining the NAV per Redeemable Participating Share for shareholder dealing and for various fee calculations. For financial statement purposes investment positions are valued at bid price at the Statement of Financial Position date. The difference between the valuation of investments positions as prescribed by FRS 102 and the methodology indicated in the Fund's Prospectus together with adjustment for transactions on the last trade date are detailed in the following tables.

	31 December 2019	31 December 2018	31 December 2017
<b>US Dollar Class A</b>			
Net asset value for financial statement purposes (US\$)	2,759,089	3,116,289	3,362,347
Add: IAS 39 valuation adjustment (US\$)	6,636	11,723	11,258
Add: Trade date adjustment (US\$)	-	-	-
Net asset value for shareholder dealing purposes (US\$)	2,765,725	3,128,012	3,373,605
Shares outstanding	246,261	326,678	295,482
Net asset value per share for shareholder dealing purposes (US\$)	11.23	9.58	11.42
<b>Euro Class A</b>			
Net asset value for financial statement purposes (EUR)	1,753,609	2,120,284	5,034,052
Add: IAS 39 valuation adjustment (EUR)	4,218	7,615	16,856
Add: Trade date adjustment (EUR)	-	-	-
Net asset value for shareholder dealing purposes (EUR)	1,757,827	2,127,899	5,050,908
Shares outstanding	132,601	191,961	398,499
Net asset value per share for shareholder dealing purposes (EUR)	13.26	11.09	12.67
<b>US Dollar Class I</b>			
Net asset value for financial statement purposes (US\$)	15,246,485	13,560,427	22,914,319
Add: IAS 39 valuation adjustment (US\$)	36,669	51,012	76,724
Add: Trade date adjustment (US\$)	-	-	-
Add: Organisational expenses written off (US\$)	-	-	-
Net asset value for shareholder dealing purposes (US\$)	15,283,154	13,611,439	22,991,043
Shares outstanding	1,133,820	1,194,031	1,701,740
Net asset value per share for shareholder dealing purposes (US\$)	13.48	11.40	13.51
<b>Euro Class I</b>			
Net asset value for financial statement purposes (EUR)	8,503,595	7,059,068	11,980,245
Add: IAS 39 valuation adjustment (EUR)	20,452	25,353	40,114
Add: Trade date adjustment (EUR)	-	-	-
Net asset value for shareholder dealing purposes (EUR)	8,524,047	7,084,421	12,020,359
Shares outstanding	582,270	584,295	875,373
Net asset value per share for shareholder dealing purposes (EUR)	14.64	12.12	13.73

**NOTE TO INVESTORS IN SWITZERLAND (UNAUDITED)**

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**Representative and Paying Agent in Switzerland:**

BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich, Switzerland.

**Price publications:**

The issue and redemption prices or the net asset value per share excluding commissions will be published on the electronic platform [www.fundinfo.com](http://www.fundinfo.com). Prices will be published at least twice a month (currently daily). The net asset value per share shall be published on the business day immediately succeeding each dealing day on the internet address [www.brandes.com/UCITS](http://www.brandes.com/UCITS).

**Publication:**

Publications concerning the Fund are made on the electronic platform [www.fundinfo.com](http://www.fundinfo.com).

**Source of supply for documents:**

Copies of the prospectus, the relevant key investor information documents, the certificate of incorporation and the constitution of the Fund as well as the annual and semi-annual reports may be obtained free of charge from the registered office of the Swiss Representative and the Swiss Paying Agent.

**Changes in holdings:**

The list of significant purchases and sales is included in the annual report. The list of all purchases and sales can be obtained from the representative and paying agent in Switzerland.



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