

Brandes Investment Partners, L.P.

Global Equity: Russell 3000 Benchmark

For the month of: **August** **2021****Manager Performance Calculations**

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Brandes	2.43%	-0.01%	42.34%	10.02%	10.94%
Russell 3000	2.85%	7.17%	33.04%	17.83%	17.96%

Performance Attribution & Strategy Comments

In August 2021, global equities rose for a seventh consecutive month, again led by gains in the U.S., while regulatory actions in China still pressured Emerging Markets. Despite renewed concerns regarding the Covid variant, markets responded to positive corporate earnings and still-accommodative monetary policy. The portfolio rose in line with the broader global indices and was ahead of the broader Value benchmark. We believe value companies may benefit from a likely pickup in economic growth, and a possible increase in inflation and rates has historically benefitted value stocks and our strategy. In addition, the material discount of value stocks relative to the market and growth stocks remains attractive. We continue to focus on buying businesses that are truly undervalued, not just inexpensive, and our portfolio holds companies which, in our opinion, feature strong balance sheets, compelling future prospects and strong free cash flow. Areas which detracted from performance relative to the index came from an underweight position in Information Technology, and our holdings trailed the index. In addition, select holdings in U.S. Health Care Providers declined on disappointing recent results. Strong contributors included a sharp rise in a Brazilian aircraft manufacturer, as well as positive contributions from select bank holdings, where we are overweight and outperformed the index. The largest detractors on a country basis were the United States, which was a slight negative, and an internet holding in China, which declined on regulatory concerns; France and United Kingdom were modest positive contributors. As of 8/31/21, the largest absolute country weightings were in the U.S. - although the portfolio is significantly underweight relative to the index - the United Kingdom and France; the largest industry weightings were Banks, Pharmaceuticals and Health Care Providers. In August the Global Investment Committee had no full new buys or sells, but the committee made a few adjustments to select positions as a result of our company-by-company analysis. Brandes continues to pursue attractive businesses with stock prices below our estimates of their intrinsic value. We believe uncertainties help drive prices of fundamentally sound companies below what they are truly worth, and we remain committed to building and holding a value portfolio in all market conditions. We are enthusiastic about the potentially undervalued companies we hold within the asset class, and believe the portfolio remains well positioned for the long term.

Total Firm Assets Under Management (\$m) as of:	Qtr 2	\$	23,795
--	-------	----	--------

Organizational/Personnel Changes

None

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):	N/A			

Manager Style Summary

Brandes is a classic "bottom-up" manager, focusing primarily on individual security selection (while country allocation is a secondary consideration), with a "value" bias, purchasing stocks primarily on the perceived undervaluation of their existing assets or current earnings. Consequently, the securities in the portfolio will tend to have a higher dividend yield and lower P/E and P/Book ratios compared to the market. Brandes' classic Graham and Dodd value investment style combined with the relatively low number of stocks in the portfolio results in large gains or losses on the portfolio. What has been encouraging is that Brandes has turned in good returns when the markets generally have rewarded growth, rather than value, styles.

Brandes Investment Partners, L.P.

Global Equity: Russell 3000 Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Brandes	Calc	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues		67		40	70	ok
B5. Normal Country Exposures:						
United States & Canada		46%		30%	100%	ok
Americas ex U.S.		5%		0%	40%	ok
United Kingdom		15%		0%	25%	ok
Europe ex U.K.		23%		0%	50%	ok
Japan		1%		0%	45%	ok
Pacific ex Japan		10%		0%	40%	ok
Non-Index Countries		0%		0%	20%	ok
Cash & Hedges		1%				
Total		100%				
B6. Normal International Portfolio Characteristics (FTSE All World ex U.S. "Large")						
Capitalization	\$95,280	\$73,230	77%	30%	125%	ok
Price/Book Value	2.0	1.1	58%	50%	100%	ok
Price/Earnings	18.5	12.1	65%	50%	100%	ok
Price/Cash Flow	11.1	6.3	57%	50%	100%	ok
Dividend Yield	2.3	4.3	185%	90%	150%	check
B7. Normal U.S. Portfolio Characteristics (Russell 3000)						
Capitalization	\$442,479	\$115,459	26%	30%	125%	check
Price/Book Value	4.2	1.7	40%	50%	100%	check
Price/Earnings	24.5	13.1	54%	50%	100%	ok
Price/Cash Flow	17.7	9.7	55%	50%	100%	ok
Dividend Yield	1.2	2.4	201%	90%	150%	check
C1. Currency or cross-currency position <= value of hedged securities						
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterpart <= 30% of total mv of account						
F2. Brokerage commissions not to exceed \$0.05/share or 50% of principal (non-U.S.)						
F2. Annual turnover						
		20%			100%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines						<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Manager Explanations for Deviations from Portfolio Guidelines

- B6. Dividend Yield: Dividend yield calculations reflect companies' trailing dividends. We anticipate some of these will be reduced or temporarily eliminated.
- B7. Capitalization: Increasing concentration in a small number of rising technology names in the U.S. market has significantly raised the capitalization comparison.
- B7. Price/Book Value: Current mkt historically wide spread btw Value/Growth universes causing all portf characteristics to skew even more "value" than our typical range.
- B7. Dividend Yield: Dividend yield calculations reflect companies' trailing dividends. We anticipate some of these will be reduced or temporarily eliminated.