

## Additional Information for Investors in Belgium

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### BRANDES INVESTMENT FUNDS Plc

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Brandes Investment Funds Plc (the “**Company**”) is an Irish open-ended umbrella type investment company with variable capital and with segregated liability between the sub-funds established as an undertaking for collective investment in transferable securities pursuant to the European Communities Regulations 2011, as amended, consolidated or substituted from time to time

Registered Office: 33 Sir John Rogerson’s Quay, Dublin 2, Ireland

**7 July, 2021**

This document containing additional information for investors in Belgium (the “**Supplement**”) should be read in conjunction with the prospectus of the Company dated 30 October, 2020 (as may be amended and supplemented from time to time) (the “**Prospectus**”). Unless otherwise defined, capitalised terms used in this Supplement shall have the meanings attributed to them in the Prospectus. This document has not been approved by the Belgian Financial Services and Markets Authority (“**FSMA**”).

#### **1. Intermediary in charge of the financial service**

BNP Paribas Securities Services S.C.A, with registered office at Rue de Loosum 25 - 1000 Brussels, (“**BNP Paribas**”) has been appointed as paying agent in Belgium and is authorised to market the shares of the Company to the public in Belgium as intermediary in charge of the financial service in Belgium (the “**Intermediary**”). Investors can contact the Intermediary to subscribe for, exchange and redeem shares in the Company.

#### **2. Distributor(s) in Belgium**

Brandes Investment Partners, L.P., a distributor of the Company, does not itself distribute the Shares of the Company to the public in Belgium and has appointed the following sub-distributor in Belgium (the “**Distributor**”):

- Lombard Odier.

Investors can contact the Distributor to subscribe for and redeem shares in the Company.

#### **3. Sub-funds registered for public offering in Belgium**

The following sub-funds of the Company are publicly offered and registered for public offering in Belgium:

Brandes Global Value Fund  
Brandes European Value Fund  
Brandes U.S. Value Fund  
Brandes Emerging Markets Value Fund

All investors will be allowed to invest in shares of each of the sub-funds of the Company registered for public offering in Belgium.

#### 4. Information made available in Belgium

A copy of the incorporation documents of the Company, the latest version of the prospectus, the key investor information documents and the latest version of the financial reports are available, are publicly available without any cost at the Intermediary. Those documents are also available via the following link: <http://www.brandes.com/emea/ucits-funds>.

Note that the net asset value of the sub-funds is published on the website of Fundinfo: [www.fundinfo.com](http://www.fundinfo.com).

All information which is published or made available to investors in the home country of the Company will be published or made available to Belgian investors at the same time by the Intermediary. This information includes, but is not limited to, the publication of the NAV, the subscription and redemption prices, notices of general shareholders' meetings, dividend distributions (if any), resolutions to liquidate, merge or split the UCITS, and the temporary suspension of the calculation of the NAV.

#### 5. Non-recurring fees supported by the investor in Belgium

Fee table:	Entry	Exit	Conversion/ switching sub-funds
Subscription/redemption/ switching fee	Max 5%	Max 3%	Max 3%
Amount intended to cover fees for acquisition / realisation of assets	N/A		
Amount intended to discourage exit during the month following entry	N/A		

The rates of fees and charges mentioned in the fee schedule above are maximum rates levied. It is appropriate to refer to the annexed fee schedule of the Intermediary or other Distributor with whom the operation of subscription, redemption or compartment change is effected for the rates actually levied.

For taxes, see Section 8 below.

#### 6. Conditions for the subscription and redemption of the shares in the Company

The cut-off time for requests for the subscription for or redemption or exchange of shares is the close of business on the NYSE (usually 4:00 pm, New York time) (normally 9:00 pm Irish time) (the "**Dealing Deadline**") on the Dealing Day (as set out in the Prospectus and/or relevant supplement for the relevant sub-fund) for applications which are made directly with State Street Fund Services (Ireland) Limited (the "**Administrator**"). Where Shares are subscribed through a Distributor or any other intermediary, investors should submit subscription, redemption or exchange orders to the Distributor or intermediary by such time as agreed with the Distributor or intermediary so that the latter can send it to the Administrator prior to the relevant Dealing Deadline. It is the responsibility of the Distributor or intermediary to ensure that all subscription, redemption and exchange orders

placed through/received by them are transmitted to the Administrator on a timely basis and in compliance with the applicable Dealing Deadline.

Subject to the information above in relation to applications received by the Administrator from the Distributors or intermediaries, applications received after the Dealing Deadline for the relevant Dealing Day shall be held in abeyance until the next Dealing Day unless the Company and Administrator otherwise agree provided that any such late application is received prior to the point in time at which the sub-fund's investments are valued and the net asset value per share is determined.

Subscription, redemption and exchange requests received and accepted by the Administrator prior to the Dealing Deadline on a Dealing Day will be issued/redeemed/exchanged at a price equal to the net asset value per share of the relevant class plus any applicable sales, subscription or switching charge/less any applicable redemption fee.

The subscription of shares during the initial period in which a certain class of shares is offered will be at the initial issue price (as set out in the supplement for the relevant sub-fund) plus any applicable sales or subscription charge.

The Company normally pays redemption proceeds (net of all expenses and deductions, if applicable) for the shares within three Business Days of receipt and acceptance of the redemption order (and in any event within 10 Business Days of receipt and acceptance of a redemption order) provided that all relevant documentation has been received by the Administrator.

## **7. Minimum initial subscription**

The minimum initial investment amount for Class A Shares is USD 10,000 (or the currency equivalent).

The Directors of the Company may waive the above mentioned minimum subscription requirement in individual cases.

## **8. Tax aspects for Belgian tax residents**

The information below is a summary of the tax regime applicable to private investors-physical persons resident in Belgium. The tax regime may differ depending on the individual circumstances of each investor and may fluctuate.

Physical persons who are Belgian residents for tax purposes, i.e., who are subject to the Belgian personal income tax and who hold the shares as a private investment, are in Belgium subject to the following tax treatment with respect to the shares. Other tax rules apply to Belgian resident individuals who do not hold the shares as a private investment.

Investors are invited to contact the Intermediary to obtain information on the tax regime referred to in this section that applies to them depending on the investment they envisage making and, where applicable, on the sub-fund of the Company in which they wish to invest.

### **8.1 Taxation on capital gains**

Private investors-physical persons are not taxed on capital gains realised upon redemption or sale of shares in the Company or upon the complete or partial distribution/liquidation of the Company's assets.

Capital gains realised upon redemption of shares in the Company or upon full or partial liquidation of the Company are however subject to a withholding tax of 30% when, upon the public offer in

Belgium, commitments were made whereby the redemption/liquidation proceeds or the performance rates were fixed and whereby such commitments relate to a maximum period of eight years.

## **8.2 Taxation on the interest component included in the capital gain realised upon (i) the sale of the shares, (ii) the repurchase of the shares by the Company (the redemption bonus) or (iii) the full or partial liquidation of the Company (the liquidation bonus)**

A distinction has to be made according to whether:

- a) the Company or the sub-fund invests directly or indirectly less than 10%<sup>1</sup> of its assets in debt securities: the interest component, if any, included in the capital gain is not taxable (see 8.1);
- b) the Company or the sub-fund invests directly or indirectly at least 10% of its assets in debt securities:
  - the interest component included in the capital gain (i.e. arising from income earned by the Company or the sub-fund under the form of interest, capital gains and capital losses on debt securities) is subject to a withholding tax of 30%, to the extent of the capital gain realized by the investor;
  - if the interest component cannot be determined, the capital gain is subject to a withholding tax of 30% on a *prorata* basis, considering the part of the Company or the sub-fund's assets invested in debt securities;
  - if the part of the Company or the sub-fund's assets invested in debt securities cannot be determined, the entire capital gain is subject to a withholding tax of 30%.

Please see 8.4 below concerning the discharging effect of the withholding tax.

## **8.3 Taxation on dividends**

### **8.3.1 Belgian paying agent**

Private investors-physical persons are subject to a Belgian withholding tax of 30% on the distribution of dividends/interests.

If the dividends/interests are paid by a paying agent established in Belgium, the taxes will be withheld after deduction of any non-Belgian withholding taxes. The Belgian withholding tax constitutes the final income tax for Belgian resident individuals. This means that they do not have to declare the dividends/interests obtained on the shares in their personal income tax return, provided withholding tax was levied on these payments. They may nevertheless elect to declare dividends/interest in respect of the shares in their personal income tax return.

### **8.3.2 No Belgian paying agent**

If dividends/interests are paid outside Belgium without the intervention of a Belgian financial intermediary, the dividends/interests received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return. Interest income which is declared in the annual personal income tax return will in principle be taxed at a flat rate of 30% (or at the progressive personal tax rate taking into account the taxpayer's other declared income, whichever is more beneficial). If the interest payment is declared, any withholding tax retained may be credited.

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<sup>1</sup> The previous rate of 25% has been decreased to 10% for shares in the Company acquired by the investor as from 1<sup>st</sup> January 2018.

#### **8.4 The discharging effect of the withholding tax**

When the income has been subject to withholding tax in Belgium, such withholding tax has a discharging effect, meaning that the investor does not have to report such income in his yearly personal income tax return. If the income has not been subject to withholding tax in Belgium, the investor has to declare such income in his yearly personal income tax return, and will be taxed at the flat rate of 30%.

#### **8.5 Subscription tax on securities account**

As from 10 March 2018, Belgian resident individuals with one or more securities accounts (in one or more financial institutions) which hold securities with an aggregated value of EUR 500,000 or more were charged a securities accounts subscription tax of 0.15%.

By judgment rendered on 17 October 2019, such tax was deemed unconstitutional and has been annulled by the Belgian Constitutional Court. This annulment is not effective retroactively so that the tax remains for reference periods ending on or before 30 September 2019. For reference periods ending on or after 1 October 2019, the tax on securities accounts can no longer be applied.

A new tax on securities accounts (“TSA”) was introduced by the law dated 17 February 2021 that entered into force on 26 February 2021. The TSA is an annual tax of 0.15% on the assets held in securities account that exceed EUR 1 million in average value (this includes financial instruments as well as the cash balance). The TSA is limited to 10% of the difference between the average value and the threshold of EUR 1,000,000. The threshold of EUR 1,000,000 is assessed on the average value of the assets in the securities account at 4 reference points within the reference period (31 December, 31 March, 30 June and 30 September). The tax will first be due for the reference period starting on 26 February 2021 and ending on 30 September 2021.

Resident taxpayers are subject to the TSA with respect to their securities accounts held with domestic and foreign financial institutions, whereas non-resident taxpayers are only subject to the TSA with respect to their securities accounts held with Belgian financial institutions.

For securities accounts held with Belgian financial institutions, the Belgian intermediary will have to withhold and pay the TSA to the Belgian State and file the tax return. For securities accounts held with foreign financial institutions, the foreign intermediary will have the option to appoint a tax representative in Belgium that will pay the tax and carry out the relevant formalities. In the absence of such a tax representative, the account holder must file the return and pay the tax to the Belgian State directly.

Please contact your legal counsel or tax advisor for more information.

#### **8.6 Directive 2011/16/EU on administrative cooperation in the field of taxation as amended by Directive 2014/107/EU**

Investors residing in an EU Member State and earning income under the form of interest (i.e. the interest component as described under 8.2 a) through a paying agent established in another EU Member State must inform themselves as to the legal and regulatory provisions that apply to them.

#### **8.7 Other taxes**

A stock exchange tax is levied, amongst other things, on the redemption and exchange of accumulation shares where these transactions are entered into in Belgium, deemed to be entered into Belgium (which is the case if the investor is a Belgian tax resident) or effected through a Belgian financial intermediary. Both upon redemption and upon exchange of accumulation shares the stock

exchange tax amounts to 1.32% of the net asset value per share (with a maximum of EUR 4,000 per transaction).

#### **9. Ownership of shares and nominee structures**

The law governing the relationships between nominee-investors and the nominee is, in principle, Belgian law. The nominee will comply with the FSMA's Circular OPC 4/2007 regarding nominee services.

Lombard Odier may act as nominee for the Belgian investors. Lombard Odier has undertaken to comply with the provisions of above mentioned Circular OPC 4/2007.