

American Beacon International Equity Fund

Quarterly Sub-Advisor Contributions to Fund Performance as of December 31, 2019

American Beacon®
FUNDS

Institutional Class: AAIEX

Total Fund AUM: \$2.9 billion

	Sub-Advisors (%)	QTR	YTD	Total Net Return ¹				
				1 YR	3 YR	5 YR	10 YR	20 YR
American Beacon International Equity Fund		9.03	19.45	19.45	7.63	4.20	5.03	4.42
Causeway Capital Management LLC	34.1	11.50	22.61	22.61	9.02	5.12	6.69	6.86
Lazard Asset Management LLC	32.3	7.18	22.39	22.39	10.40	5.97	6.86	4.04
Templeton Investment Counsel, LLC	33.6	8.32	14.34	14.34	5.35	2.77	4.03	4.90
MSCI EAFE Index		8.17	22.01	22.01	9.56	5.67	5.50	3.32
Morningstar category: Foreign Large Value		8.43	18.03	18.03	6.92	4.03	4.19	3.55
<i>Better / (Worse) vs. MSCI EAFE Index</i>		<i>0.86</i>	<i>(2.56)</i>	<i>(2.56)</i>	<i>(1.93)</i>	<i>(1.47)</i>	<i>(0.47)</i>	<i>1.10</i>
<i>Better / (Worse) vs. Morningstar category: Foreign Large Value</i>		<i>0.60</i>	<i>1.42</i>	<i>1.42</i>	<i>0.71</i>	<i>0.17</i>	<i>0.84</i>	<i>0.87</i>

Periods more than one year have been annualized. Expense Ratio: 0.74%

¹Sub-advisor returns are net of investment management fees only. Fund returns are net of all fees.

Performance shown is historical and is not indicative of future returns. Investment returns and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Performance shown is as of date indicated, and current performance may be lower or higher than the performance data quoted. To obtain performance as of the most recent month end, please visit americanbeaconfunds.com or call 800.967.9009. Please note that the recent performance of the securities market has helped produce short-term returns that are not typical and may not continue in the future.

SUB-ADVISOR COMMENTARIES

Causeway Capital Management LLC

- The top-performing markets in the strategy's investable universe included Ireland, New Zealand, China, South Korea and Sweden. The worst-performing markets included Belgium, Finland, Australia, Norway and Canada. The best-performing sectors in the benchmark were Information Technology, Health Care and Materials. The worst-performing sectors were Consumer Staples, Energy and Real Estate.
- Relative outperformance was due to holdings in Germany, the United Kingdom and Italy. However, some of it was offset by holdings in Canada, Japan and China.
- The portfolio's holdings in the Banks, Food Beverage & Tobacco, Automobiles & Components, Utilities, and Technology Hardware & Equipment industry groups contributed to relative performance. Holdings in the Consumer Durables & Apparel and Food & Staples retailing industry groups – along with overweight positions in the Energy and Telecommunication Services industry groups and an underweight position in the Semiconductors & Semi Equipment industry group – offset some of the relative outperformance.

Lazard Asset Management LLC

- Contributors:** In the Information Technology and Financials sectors, security selection contributed to performance. In the Industrials sector and in the United Kingdom, higher-than-benchmark weights also contributed to performance.
- Detractors:** In the Consumer Staples and Materials sector, as well as in Continental Europe, security selection detracted from performance. In the Health Care sector, a lower-than-benchmark weight also detracted from performance.

Templeton Investment Counsel, LLC

- Contributors:** The Financials sector was the largest contributor to relative returns, driven by stock selection. In the Industrials sector, security selection also supported relative returns. In the Consumer Staples sector, an underweight allocation had a positive impact. Within the sector, below-benchmark exposure to the Food, Beverage and Tobacco industry and a lack of exposure to the Household and Personal Products industry benefited relative performance. In the Information Technology sector, security selection – notably within the Technology Hardware and Equipment group – was a relative contributor. Regionally, an off-benchmark allocation to South Korea was the top contributor. Security selection in Denmark also aided results.
- Detractors:** In the Communication Services sector, security selection and an overweight allocation held back relative results. In the Energy sector, an overweight allocation had a negative effect. Regionally, security selection in the United Kingdom and Japan detracted from relative returns.

©2020 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

This material is for financial advisor use only. It may not be reproduced or shown to members of the public or used in written form as sales literature.

Any opinions herein, including forecasts, reflect our judgment as of the end of the quarter and are subject to change. This report is not a complete analysis of market conditions and therefore, should not be relied upon as investment advice.

Investing in **foreign securities** may involve heightened risk due to currency fluctuations and economic and political risks. Investing in **value stocks** may limit downside risk over time; however, the Fund may produce more modest gains than riskier stock funds as a trade-off for this potentially lower risk. The use of **futures contracts** for cash management may subject the Fund to losing more money than invested. The Fund participates in a **securities lending** program. Please see the prospectus for a complete discussion of the Fund's risks. There can be no assurances that the investment objectives of this Fund will be met.

Important Information: All investing involves risk, including possible loss of principal. Indexes are unmanaged and one cannot invest directly in an index.

A portion of fees charged to the Institutional Class was waived from 2013 through 2015. Performance prior to waiving fees was lower than actual returns shown for 2013 through 2015. Specific information about any Fund may be found at americanbeaconfunds.com or in the prospectus.

On December 27, 2019, American Beacon Advisors announced the termination of Templeton Investment Counsel from their role managing assets of the Fund. Additionally, the Board of Trustees appointed American Century Investment Management as a new sub-advisor to the Fund, effective on or about January 15, 2020.

The MSCI® EAFE Index is a market capitalization weighted index of international stock performance composed of equities from developed markets excluding the U.S. and Canada. The MSCI information contained herein: (1) is provided "as is," (2) is proprietary to MSCI and/or its content providers, (3) may not be used to create any financial instruments or products or any indexes and (4) may not be copied or distributed without MSCI's express written consent. MSCI disclaims all warranties with respect to the information. Neither MSCI nor its content providers are responsible for any damages or losses arising from any use of this information.

American Beacon is a registered service mark of American Beacon Advisors, Inc. American Beacon Funds and American Beacon International Equity Fund are service marks of American Beacon Advisors, Inc.

You should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The prospectus and summary prospectus contain this and additional information regarding the Fund. To obtain a prospectus and summary prospectus, call 800.967.9009 or visit americanbeaconfunds.com. The prospectus and summary prospectus should be read carefully before investing.