

## Sprucegrove Global Equities

MARCH 31, 2022

Sprucegrove's strategy employs a value approach to the management of equities. It emphasizes long-term investment and it focuses on the selection of individual securities using a bottom-up, research driven approach. Country and sector exposures are a residual of this stock-selection process. We seek to invest in securities that meet our standards of investment quality including a history of above average financial performance, a secure financial position, reputable management, and a growth opportunity in terms of sales, earnings, and share price. Our valuation criteria includes normalized price earnings multiple, price to book and dividend yield.

### SECTOR & REGIONAL ALLOCATION

Sector	Portfolio <sup>1</sup> %	MSCI World %	Underweight (-) / Overweight (+)
Energy	4.3	4.3	
Materials	10.3	4.5	
Industrials	22.5	10.0	
Consumer Discretionary	13.5	11.6	
Consumer Staples	6.8	7.0	
Health Care	10.0	12.9	
Financials	17.0	13.7	
Information Technology	5.1	22.5	
Communication Services	6.4	7.9	
Utilities	0.0	2.9	
Real Estate	0.0	2.8	
Cash	4.0	0.0	
	100.0	100.0	

Region	Portfolio <sup>1</sup> %	MSCI World %	Underweight (-) / Overweight (+)
North America	48.1	72.6	
Pacific	12.5	9.6	
Eurozone	12.3	8.7	
Non-Euro & Middle East	12.6	9.2	
Emerging Markets	10.6	0.0	
Cash	4.0	0.0	
	100.0	100.0	

### GLOBAL EQUITY VEHICLES AVAILABLE

Vehicle	Client Type
Sprucegrove Global Pooled Fund (Pension)	Pension (DB and DC)
Sprucegrove Global Pooled Fund (Non-Pension)	Endowments, Foundations, Family Offices
Separate Account	All

### PORTFOLIO STATISTICS

	AUM (Millions in CAD)
Sprucegrove Firm Total	\$27,231.9
Global Equities	\$1,021.7

	Portfolio <sup>1</sup>	MSCI World
Inception Date	June 29, 1995	-
# of Holdings	87	1540
Active Share	93%	-
Average Mkt Cap (\$B)	\$98.2	\$38.2
Median Mkt. Cap (\$B)	\$23.6	\$14.9
Turnover % (LTM)	11.8	-

### PORTFOLIO CHARACTERISTICS\*

	Portfolio <sup>1</sup>	MSCI World
Normalized P/E	14.7x	26.3x
Financial Leverage	2.2x	2.9x
Price to Book	2.7x	3.2x
Dividend Yield	2.1%	1.8%

\*Normalized P/E for a company is determined by Sprucegrove by dividing the company's P/B ratio by Sprucegrove's estimate of the average expected earnings for the company over the long term. Sprucegrove determines the Normalized P/E for each of the Fund and the MSCI World index by taking the weighted average of the Normalized P/E of each company within the Fund or index, respectively. **Financial Leverage** is defined as total assets divided by ordinary/common shareholders equity. **Price to Book ratio (P/B)** is the stock price divided by book (equity) value per share. **Dividend Yield** is the net dividend divided by the stock price.

### TOP TEN HOLDINGS

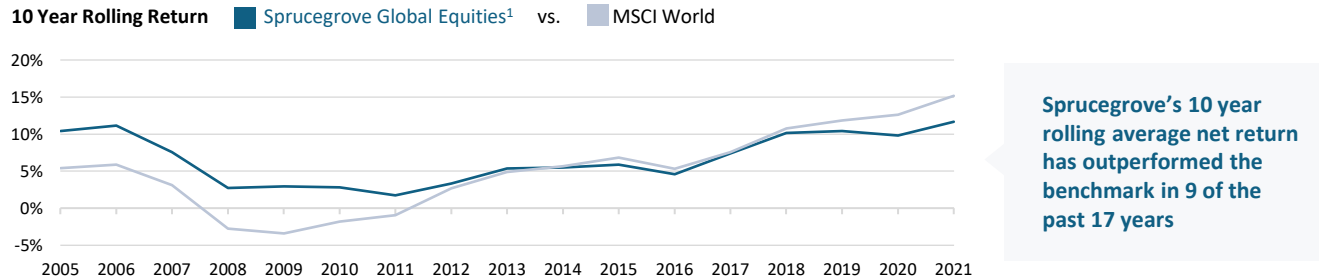
Stock	% of Portfolio <sup>1</sup>
Berkshire Hathaway	3.6
Raytheon	3.1
C.H. Robinson	3.1
Intel	2.5
T. Rowe Price	2.5
Walgreens Boots Alliance	2.5
Exxon Mobil	2.4
Henry Schein	2.4
3M	2.4
Zee Entertainment	2.2
Total	26.7

<sup>1</sup> Sprucegrove Global Pooled Fund is the representative portfolio for the Sprucegrove Global Equity Strategy.

## PERFORMANCE

As of: 03/31/2022	Q1	1	2	3	4	5	10	15	20	25	Since
	(%)	Year	Years	Years	Years	Years	Years	Years	Years	Years	Inception
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Sprucegrove Global Equities <sup>1</sup>	(5.4)	(1.1)	19.5	6.5	5.3	6.0	10.2	5.4	5.8	7.6	8.1
MSCI World <sup>2</sup>	(6.2)	9.4	22.0	12.4	11.2	11.0	13.4	7.4	6.4	6.8	7.3
MSCI World Value <sup>2</sup>	(1.8)	9.9	19.9	7.4	6.8	6.5	10.9	5.1	5.2	6.0	6.5

## HISTORICAL ROLLING RETURNS, As of 12/31/2021



	Annual	3 Year Rolling	5 Year Rolling	7 Year Rolling	10 Year Rolling
Periods Outperformed	42%	50%	59%	55%	53%
Number of years	11/26	12/24	13/22	11/20	9/17

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<sup>1</sup>Returns presented for Sprucegrove Global Pooled Fund. Inception date: June 29, 1995. Past performance is no guarantee of future results. Principal value and investment return will fluctuate. Returns greater than 1-year period have been annualized. Returns are gross of fees in Canadian dollars.

<sup>2</sup>The MSCI World and MSCI World Value Indices capture large and mid cap representation across 23 developed markets countries around the world. The indices are the arithmetical average, weighted by market value of the performance of companies representing the stock markets of North America, Europe, Australasia, and the Far East. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. These materials are not approved or produced by MSCI.

**Possibility of Loss** - Investors should be aware that market conditions affect performance and that investment programs carry with them the possibility of loss. It should not be assumed that investments made in the future will be profitable or will equal any results shown in this document.

**Definition of the Firm** - Sprucegrove Investment Management Ltd. ("Sprucegrove" or the "Firm") is an investment adviser registered with the U.S. Securities and Exchange Commission (SEC) and registered as a Portfolio Manager in most provinces in Canada. Sprucegrove is an independent investment management firm that is not affiliated with any parent organization. Sprucegrove manages fully discretionary accounts for fee paying clients and is located in Toronto, Ontario. The firm was founded in 1993 by the global portfolio management team, formerly at Confederation Life of Canada. Sprucegrove has been managing international equity mandates since 1985.

**Further Information** - The opinions, estimates and views expressed are on behalf of Sprucegrove for the period ending March 31, 2022 (unless otherwise stated), constitute Sprucegrove's best judgement as of the date of this document and are subject to change at any time based on market or other conditions. Any forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. In addition, any forecasts are based upon subjective estimates and assumptions about circumstances and events that may not yet have taken place or may never do so. The information provided herein should not be considered a recommendation to purchase or sell any particular security. The securities discussed herein are examples of Sprucegrove's investment approach but do not represent an entire portfolio or the performance of a fund or strategy and in the aggregate may represent only a small percentage of portfolio holdings. It should not be assumed that any of the securities discussed herein were or will prove to be profitable, or that the investment recommendations or decisions made by Sprucegrove in the future will be profitable.

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Source: Sprucegrove, MSCI, FactSet.