

## Sprucegrove Global Equities

JUNE 30, 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	4.2	5.0	
Materials	9.2	4.3	
Industrials	24.0	9.9	
Consumer Discretionary	14.0	10.6	
Consumer Staples	6.4	7.8	
Health Care	10.7	14.1	
Financials	16.3	13.6	
Information Technology	5.1	21.1	
Communication Services	6.5	7.6	
Utilities	0.0	3.2	
Real Estate	0.0	2.9	
Cash	3.6	0.0	
	100.0	100.0	

Region	Portfolio <sup>1</sup> %	MSCI World %	Underweight (-) / Overweight (+)
Pacific	13.5	9.7	
Eurozone	12.2	8.5	
Non-Euro & Middle East	13.3	9.5	
Emerging Markets	9.3	0	
North America	48.2	72.3	
Cash	3.6	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

<sup>1</sup> Sprucegrove Global Pooled Fund (Non - Pension) is the representative portfolio for the Sprucegrove Global Equity Strategy.

### PORTFOLIO STATISTICS

AUM (Millions in CAD)	
Sprucegrove Firm Total	\$23,593.5
Global Equities	\$919.1
Portfolio <sup>1</sup>	MSCI World
Inception Date	June 29, 1995
# of Holdings	863
Active Share*	92%
Average Mkt Cap (\$B)	\$81.8
Median Mkt. Cap (\$B)	\$18.0
Turnover % (LTM)*	11.8

### PORTFOLIO CHARACTERISTICS\*

Portfolio <sup>1</sup>	MSCI World
Normalized P/E	12.8x
Financial Leverage	2.2x
Price to Book	2.3x
Dividend Yield	2.6%

\***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. **Active Share** is a measure of the percentage of stock holdings in a portfolio that differ from the benchmark. **Turnover** is calculated as: (Total of the lesser of buys or sales over 12 month period / Average market values over period) x 100.

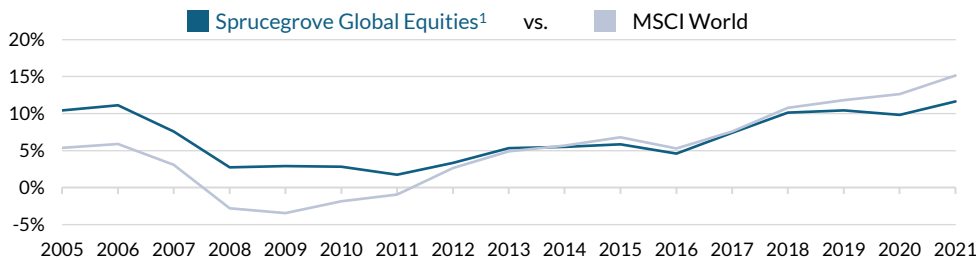
### TOP TEN HOLDINGS

Stock	% of Portfolio <sup>1</sup>
Raytheon	3.4
CH Robinson	3.3
Berkshire Hathaway	3.2
Walgreens Boots Alliance	2.5
Henry Schein	2.4
3M	2.3
Walt Disney	2.3
T. Rowe Price	2.2
Markel	2.2
Intel	2.2
Total	26.2

## PERFORMANCE

As of: 06/30/2022	Q2	YTD	1	2	3	4	5	10	15	20	25	Since
	(%)	(%)	Year	Years	Years	Years	Years	Years	Years	Years	Years	Inception
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Sprucegrove Global Equities (Gross) <sup>1</sup>	(10.9)	(15.6)	(14.6)	7.7	1.8	1.9	3.9	9.2	4.7	5.5	6.6	7.6
Sprucegrove Global Equities (Net) <sup>1,2</sup>	(10.9)	(15.8)	(14.9)	7.4	1.4	1.5	3.4	8.6	4.1	4.9	5.9	6.9
MSCI World <sup>3</sup>	(13.4)	(18.8)	(10.8)	6.2	6.5	6.3	7.5	12.1	6.5	6.4	5.6	6.7
MSCI World Value <sup>3</sup>	(8.7)	(10.3)	(2.7)	10.4	4.1	3.9	4.5	10.2	4.6	5.4	5.1	6.1

## HISTORICAL ROLLING RETURNS, 10 Year Rolling Return, As of 12/31/2021



**Sprucegrove's 10 year rolling average net return has outperformed the benchmark in 9 of the past 17 years**

	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

**Disclosures: Past performance is no guarantee of future results. Returns shorter than a 1-year period are arithmetic returns and have not been annualized. Returns greater than a 1-year period have been annualized. Principal value and investment return will fluctuate. Returns are in Canadian dollars.**

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<sup>1</sup>**Sprucegrove Global Pooled Fund** is the representative portfolio for the Sprucegrove Global Equities. Inception date: June 29, 1995. Performance is calculated on a time weighted, total return basis which includes dividends net of withholding taxes and interest income, realized and unrealized gains or losses, transaction costs and other expenses. Performance information for periods of less than one year are cumulative returns. All other performance figures represent annualized returns.

<sup>2</sup>**Net returns** reflect Gross returns reduced by management fees and withholding taxes associated with any dividends paid, where imposed by certain jurisdictions.

<sup>3</sup>**The MSCI World (net) Index** is the benchmark for the Sprucegrove Global Pooled Fund. All supplementary indices are presented for comparative purposes only. Index information is provided for illustrative purposes only and is not intended to imply past or future performance. Please note an investor cannot invest directly in an index. Unless otherwise noted, index returns reflect the reinvestment of income and dividends, if any, but do not reflect fees, brokerage commissions or other expenses of investing. The volatility of an index may be materially different than that of the portfolio, and investors should not expect the portfolio to achieve the same results as a listed index.

**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.

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Source: Sprucegrove, MSCI, FactSet.

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