

# Sprucegrove All Country World ex. U.S. Equities

DECEMBER 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 ACWI ex USA %	Underweight (-) / Overweight (+)
Energy	5.4	6.0	
Materials	13.2	8.4	
Industrials	17.5	12.3	
Consumer Discretionary	17.4	11.4	
Consumer Staples	10.0	8.9	
Health Care	7.2	9.8	
Financials	12.8	21.0	
Information Technology	6.5	10.8	
Communication Services	4.6	5.9	
Utilities	2.1	3.4	
Real Estate	0.5	2.3	
Cash	2.7	0.0	
	100.0	100.0	

Region	Portfolio <sup>1</sup> %	MSCI ACWI ex USA %	Underweight (-) / Overweight (+)
Pacific	21.8	22.1	
Eurozone	18.9	20.6	
Non-Euro & Middle East	25.6	21.2	
Emerging Markets	27.0	28.4	
Canada	4.0	7.7	
Cash	2.7	0.0	
	100.0	100.0	

## ALL COUNTRY WORLD EX U.S. EQUITY VEHICLES AVAILABLE

Vehicle	Client Type
Sprucegrove All Country World ex. U.S. Pooled Fund (Pension)	DB and DC
Sprucegrove All Country World ex. U.S. Pooled Fund (Non-Pension)	Non-Pension (Endowments & Foundations, Family Office)
Separate Account	All

## PORTFOLIO STATISTICS

	AUM (Millions in CAD)
Sprucegrove Firm Total	\$22,766.1
All Country World ex. U.S. Equities	\$7,251.0

	Portfolio <sup>1</sup>	MSCI ACWI ex USA
Inception Date	Nov. 15, 2019	-
# of Holdings	83	2,261
Active Share*	90%	-
Average Mkt Cap (\$B)	\$41.1	\$9.8
Median Mkt. Cap (\$B)	\$10.4	\$3.6
Turnover % (LTM)*	19.9%	-

## PORTFOLIO CHARACTERISTICS\*

	Portfolio <sup>1</sup>	MSCI ACWI ex USA
Normalized P/E	12.4x	14.5x
Financial Leverage	2.1x	2.8x
Price to Book	1.9x	1.6x
Dividend Yield	3.0%	3.3%

\***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 ACWI ex USA 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

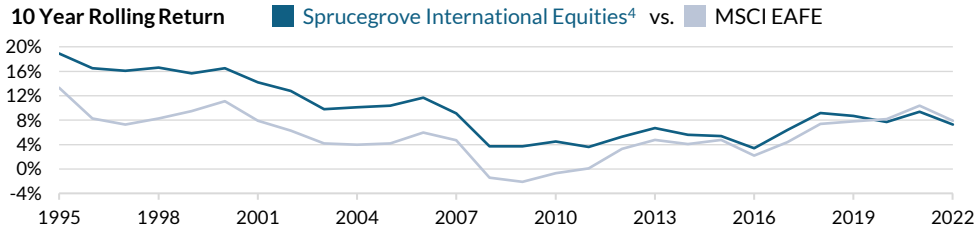
Stock	% of Portfolio <sup>1</sup>
HDFC	2.7
Copa Holdings	2.2
Astra International	2.2
Novartis	2.2
Samsung Electronics (GDR)	2.1
Ambev (ADR)	2.1
United Overseas Bank	2.0
Smiths Group	2.0
HSBC	2.0
Zee Entertainment	1.9
Total	21.4

<sup>1</sup>Sprucegrove All Country World ex. U.S. Pooled Fund (Non-Pension)

# PERFORMANCE

As of: 12/31/2022	Q4	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years	15 Years	20 Years	25 Years	30 Years	35 Years	Since Inception
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Sprucegrove All Country World ex U.S. Equities (Gross) <sup>1</sup>	12.8	(5.6)	0.5	1.8	-	-	-	-	-	-	-	-	2.4
Sprucegrove All Country World ex U.S. Equities (Net) <sup>1,2</sup>	12.7	(5.8)	0.2	1.5	-	-	-	-	-	-	-	-	2.1
MSCI ACWI ex USA <sup>3</sup>	12.7	(9.9)	(1.9)	1.5	-	-	-	-	-	-	-	-	2.1
MSCI ACWI ex USA Value <sup>3</sup>	14.1	(1.9)	3.6	1.5	-	-	-	-	-	-	-	-	2.0
Sprucegrove International Equities (Gross) <sup>4</sup>	15.1	(5.4)	0.8	1.5	3.9	1.7	7.3	4.8	6.3	6.5	8.4	9.1	10.9
Sprucegrove International Equities (Net) <sup>4,2</sup>	15.0	(5.7)	0.5	1.2	3.6	1.4	7.0	4.5	5.9	6.1	8.0	8.7	10.4
MSCI EAFE <sup>5</sup>	15.7	(8.2)	0.6	2.4	5.6	3.1	7.9	4.0	5.6	4.3	5.8	5.1	7.7
MSCI EAFE Value <sup>5</sup>	18.0	1.3	5.5	2.1	4.1	1.8	6.7	3.0	5.2	4.4	6.3	5.8	8.6
MSCI ACWI ex USA <sup>3,6</sup>	12.7	(9.9)	(1.9)	1.5	4.8	2.5	7.0	3.7	5.9	4.5	6.1	5.5	-

## HISTORICAL ROLLING RETURNS, As of 12/31/2022



Sprucegrove's 10 year rolling average gross return has outperformed the benchmark in 25 of the past 28 years

	Annual	3 Year Rolling	5 Year Rolling	7 Year Rolling	10 Year Rolling
Periods Outperformed	62%	71%	84%	90%	89%
Number of years	23/37	25/35	28/33	28/31	25/28

**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 All Country World ex US Fund (Non-Pension)** is the representative portfolio for the Sprucegrove All Country World ex U.S. Equities. Inception date of Fund: November 15, 2019. 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 ACWI ex USA (net) Index** is the benchmark for the Sprucegrove All Country World ex US Fund (Non-Pension). All supplementary indices are presented for comparative purposes only.

<sup>4</sup>**Sprucegrove International Pooled Fund** is the representative portfolio for the Sprucegrove International Equities. Inception date: April 30, 1985. Fund performance reflects a linking between the Sprucegrove International Pooled Fund and the Confederation Life International Pooled Fund for periods prior to 1994 (for which the Sprucegrove Investment Management team managed the portfolio since its inception).

<sup>5</sup>**The MSCI EAFE (net)** is the benchmark for the Sprucegrove International Pooled Fund. All supplementary indices are presented for comparative purposes only.

<sup>6</sup>Since inception and 35-year performance are not available due to the index creation date, December 31, 1987.

**The MSCI ACWI ex. USA and ACWI ex. USA Value Indices** capture large and mid cap representation across 22 of 23 Developed Markets countries (excluding the US) and 24 Emerging Markets countries. The Index is the arithmetical average, weighted by market value of the performance of companies representing the stock markets of Europe, Australasia, New Zealand, Canada, Far East and Emerging Markets. **The MSCI EAFE (Net) Index and The MSCI EAFE Value (Net) Index** captures large and mid cap representation across 21 developed markets, excluding the US and Canada. The Indices are the arithmetical average, weighted by market value of the performance of companies representing the stock markets of 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. **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 EAFE Index was launched on Mar 31, 1986 and the MSCI EAFE Value Index was launched on Dec 08, 1997. Data prior to the launch date is back-tested test (i.e. calculations of how the index might have performed over that time period had the index existed).

**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.

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