

# ST. JAMES INVESTMENT COMPANY

## SELECT VALUE PERFORMANCE OVERVIEW

AS OF JUNE 2021

### Philosophy

At St. James we employ an absolute return mindset to long-only value investing. We invest in high-quality businesses trading at a discount to our conservative estimate of fair value. Finally, we focus long-term, patiently awaiting optimal conditions prior to deploying trusted client capital.

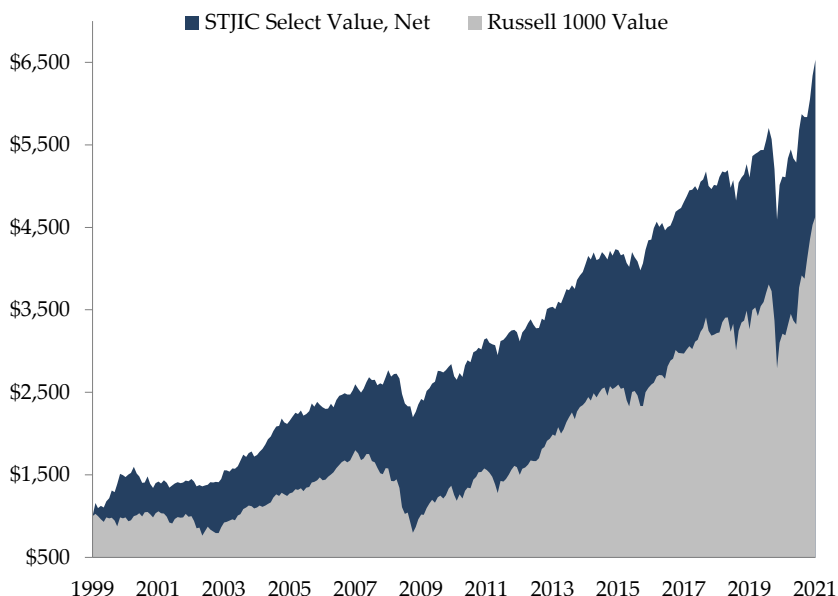
We contend that the price we pay for an investment ultimately determines the return. Further, trying to keep pace with the market in all environments promotes poor decisions. By focusing on the St. James process, positive outcomes emerge over complete market cycles.

**Inception:** June 1999

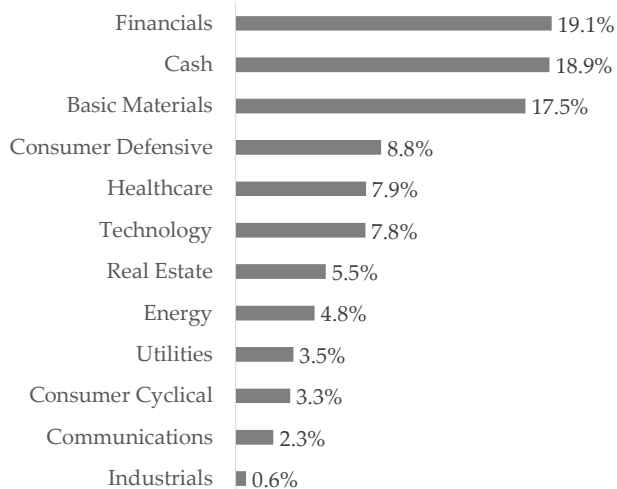
**Benchmark:** Russell 1000 Value

**Secondary Benchmark:** S&P 500 TR

### Value of \$1,000 Invested in June 1999 Through June 2021



### Sector Distributions



### Performance

	YTD	1 YR	3 YR	5 YR	10 YR	20 YR	SI
STJIC Select Value, Gross	7.7%	24.3%	8.2%	8.0%	8.4%	8.9%	9.8%
STJIC Select Value, Net	7.4%	23.5%	7.3%	7.0%	7.3%	7.8%	8.7%
Russell 1000 Value	17.0%	43.6%	12.4%	11.9%	11.6%	7.7%	7.1%
S&P 500 TR	15.3%	40.8%	18.7%	17.6%	14.8%	8.6%	7.6%

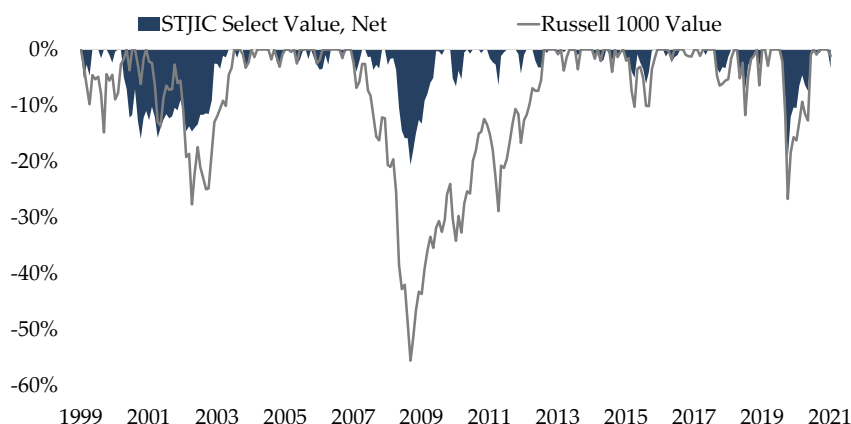
### STJIC Select Value Return Metrics

Annualized Alpha - Net	5.1%
Standard Deviation - Net	10.1%
Upside Capture Ratio	61.0%
Downside Capture Ratio	44.0%
Beta	0.47
Dividend Yield (net Cash)	2.9%

### Top Ten Holdings (Company, Country, & Weighting)

1	Cash	United States	18.9%
2	Berkshire Hathaway Inc. New	United States	8.7%
3	Loews Corporation	United States	5.0%
4	Enbridge Inc	Canada	4.8%
5	DuPont de Nemours, Inc.	United States	4.7%
6	Unilever PLC	United Kingdom	3.9%
7	Dominion Energy, Inc.	United States	3.5%
8	Pfizer, Inc.	United States	3.4%
9	Corteva, Inc.	United States	3.3%
10	Ingredion Incorporated	United States	3.3%
Totals (% of Assets)			59.5%

### Drawdown Analysis



Please see Part 2A of our ADV for a complete description of advisory fees customarily charged by St. James. Holdings and characteristics may vary since investment objectives, tax considerations, and other factors differ from account to account. Past performance is not a guarantee of current or future results. Dividend Yield excludes cash. Portfolio holdings are subject to change without notice. For a complete list of holdings, please contact us at: [info@stjic.com](mailto:info@stjic.com). Please refer to the GIPS® Composite Report for important disclosures and information.

# ST. JAMES INVESTMENT COMPANY SELECT VALUE GIPS® COMPOSITE REPORT

## ABOUT ST. JAMES INVESTMENT COMPANY

AS OF JUNE 2021

We founded St. James Investment Company in 1999, managing equity portfolios for both individuals and institutions.

**Robert J. Mark**  
Portfolio Manager, Managing Member

Our investment methodology stresses absolute returns, blending a combination of fundamental analysis, discipline and patience with the goal of preserving and compounding capital.

**Larry J. Redell**  
Member

**Blake R. Terrell**  
Analyst

## Schedule of Comparative Performance Statistics (June 30, 2021)

Year	Gross of Fees Return	Net of Fees Return	Russell 1000 Value Index Return	S&P 500 TR Index Return	Composite Index 3-Year StDev (%)	Russell 1000 Value Index 3-Year StDev (%)	S&P 500 TR Index 3-Year StDev (%)	Number of Portfolios	Internal Composite Dispersion	% Comp AUM w/ Bundled Fees	Value of Composite (\$M)	Total Strategy Assets <sup>1</sup> (\$M)	Total Firm Assets (\$M)	Total Firm and Advisory-Only Assets (\$M)
1999*	31.6%	30.9%	-2.1%	13.7%	n/a	n/a	n/a	6		0.0%	\$1.9	-	\$2.7	-
2000	8.7%	7.6%	7.0%	-9.1%	n/a	n/a	n/a	9	6.2%	0.0%	\$2.1	-	\$4.4	-
2001	1.3%	0.2%	-5.6%	-11.9%	n/a	n/a	n/a	16	6.6%	0.0%	\$4.0	-	\$6.4	-
2002	0.9%	-0.1%	-15.5%	-22.1%	11.7%	16.8%	19.0%	19	3.8%	0.0%	\$7.0	-	\$34.1	-
2003	25.1%	23.8%	30.0%	28.7%	9.5%	16.0%	18.1%	29	0.3%	0.0%	\$3.4	-	\$41.3	-
2004	20.6%	19.4%	16.5%	10.9%	7.7%	15.0%	14.9%	19	2.5%	45.9%	\$5.7	-	\$45.2	-
2005	10.0%	8.9%	7.0%	4.9%	7.6%	10.4%	9.9%	20	2.7%	38.8%	\$6.7	-	\$60.4	-
2006	9.9%	8.8%	22.2%	15.8%	7.2%	7.2%	7.3%	32	2.1%	24.2%	\$12.5	-	\$92.5	-
2007	8.3%	7.2%	-0.2%	5.5%	6.9%	8.5%	7.8%	42	0.9%	0.0%	\$19.3	-	\$76.3	-
2008	-10.9%	-12.1%	-36.9%	-37.0%	8.6%	15.5%	15.1%	72	3.5%	0.0%	\$30.1	-	\$114.1	-
2009	19.8%	18.4%	19.7%	26.5%	9.7%	21.2%	19.7%	271	2.7%	1.0%	\$133.5	-	\$220.1	-
2010	9.5%	8.2%	15.5%	15.1%	10.6%	22.8%	21.9%	814	1.4%	1.7%	\$302.6	-	\$504.6	-
2011	7.7%	6.4%	0.4%	2.1%	9.4%	21.2%	18.7%	1584	1.1%	2.0%	\$975.3	-	\$1,063.4	-
2012	4.6%	3.3%	17.5%	16.0%	8.3%	15.7%	15.1%	2155	0.6%	1.8%	\$1,190.2	-	\$1,281.4	-
2013	16.6%	15.7%	32.5%	32.4%	7.0%	13.3%	12.3%	2082	1.1%	1.6%	\$1,343.0	-	\$1,411.2	-
2014	10.7%	9.7%	13.5%	13.7%	6.2%	9.3%	9.0%	2289	0.6%	7.6%	\$1,380.4	-	\$1,461.5	-
2015	-0.9%	-1.9%	-3.8%	1.4%	6.5%	10.6%	10.5%	2166	0.9%	7.5%	\$1,189.3	-	\$1,268.6	-
2016	11.7%	10.6%	17.3%	12.0%	6.8%	10.8%	10.6%	2159	1.0%	10.9%	\$1,266.3	-	\$1,295.4	-
2017	13.6%	12.4%	13.7%	21.8%	6.2%	10.2%	9.9%	2586	0.9%	15.6%	\$1,353.9	-	\$1,397.9	-
2018	-4.0%	-5.1%	-8.3%	-4.4%	6.8%	9.2%	10.9%	2611	0.7%	15.3%	\$1,179.4	-	\$1,203.8	-
2019	19.5%	18.2%	26.6%	31.5%	7.2%	12.2%	11.9%	2340	1.0%	11.1%	\$1,209.6	-	\$1,243.3	-
2020	3.6%	3.0%	2.8%	18.4%	13.0%	19.6%	18.5%	1859	1.0%	9.8%	\$946.2	-	\$982.6	-
2021	7.7%	7.4%	17.0%	15.3%	13.4%	19.8%	18.3%	1591	N/A	10.1%	\$842.2	\$1,083.9	\$880.7	\$1,122.4

\*June 1999 Inception

<sup>1</sup>Total Strategy Assets include Composite assets as well as advisory-only assets, which are presented as supplemental information. This info was not tracked prior to 2021. Please see the following page for additional important disclosures and information.

St. James Investment Company (St. James) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. St. James has been independently verified for the periods 06/01/1999 – 12/31/2020. The verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not ensure the accuracy of any specific performance report.

GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

**Firm and Composite Information** St. James is an independent investment firm that manages equity and balanced portfolios. The firm invests in U.S. and non-U.S. stocks as well as cash or cash equivalents. The Select Value Portfolio seeks long-term capital appreciation in the equities of what we believe to be well-financed, well-managed companies priced below their intrinsic values. The strategy primarily invests in US equities and, when market conditions warrant, St. James will allocate into foreign equities, fixed-income, ETFs, and cash.

The Select Value Composite was created in January 2005 with an inception date of June 1999. A complete list and description of firm composites is available upon request. As of December 31, 2020, the Core Equity Composite was renamed the Select Value Composite.

**Benchmark** For benchmark purposes, the Composite is compared to the Russell 1000® Value Index. The Index measures the performance of the large-cap value segment of the US equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. The secondary benchmark is the S&P 500 Total Return Index. The Russell 1000 Value Index was selected as the Composite's benchmark because St. James believes that its holdings reflect the Composite's large cap value focus. The volatility of both indices may be materially different from that of the Select Value strategy, and the holdings in the strategy may differ significantly from the securities that comprise the Russell 1000 Value Index and those that comprise the S&P 500 Total Return Index.

Additionally, these indices only include U.S. companies, while the Composite includes non-U.S. investments. Indices are unmanaged, not assessed a management fee, and investors cannot invest directly in an index. The comparison of results to an index does not disclose all facts materially relevant to the comparison. As of December 31, 2020, the Composite benchmark was changed from the S&P 500 Net Total Return Index to the Russell 1000 Value Index for all periods, and the S&P 500 Total Return Index was added as a secondary benchmark for all periods. Before December 31, 2020, St. James used the S&P 500 Net Total Return Index as the Composite benchmark. The S&P 500 Net Total Return Index reflects the return to an investor where the dividends are reinvested after the deduction of a withholding tax. St. James determined that the percentage of holdings in the Composite subject to automatic tax deductions to be variable and may not be sufficient to make this index an appropriate benchmark, and has selected the Russell 1000 Value Index as more representative of the Composite's investment strategy. This benchmark has been applied retroactively.

**Performance Calculations** Valuations and returns are computed and stated in U.S. dollars, and individual portfolios are revalued monthly with pricing data provided by the account custodian. Portfolios also are revalued intra-month when a cash flow in excess of 10% of a portfolio's value occurs. Composite returns are asset-weighted. Gross-of-fees returns are calculated gross of management and custodial fees, and net of transaction costs. The Composite includes bundled fee accounts (the "Bundled Accounts"), which are accounts that pay a combined fee that covers adviser management fees, custody fees, trading costs and other administrative fees. Since 2010, Bundled Accounts have accounted for between 1.6% and 15.6% of total accounts included in the Composite, although this range fluctuates. Other accounts included in the Composite are not charged a bundled fee (the "Unbundled Accounts"). These accounts pay management and custodial fees separately, and trading costs are netted out of the gross return for these accounts. The gross returns for the Bundled Accounts are "pure gross" returns since they do not include any trading costs. The Bundled Accounts gross returns are higher than the gross returns for the Unbundled Accounts, since these accounts reflect trading costs. Consequently, because the Bundled Accounts make up more than 9.0% of the Composite, the Composite's gross performance may be higher because all trading costs are not included in the gross-of-fees return. Net-of-fees returns are calculated net of management fees and transaction costs and gross of custodian fees. St. James has estimated the transaction costs for the Bundled Accounts by incorporating the asset-weighted average bundled fee into the fee deducted from the gross return. Prior to 2013, net returns were calculated by deducting the maximum applicable St. James management fee, for this strategy, of 1.25% annually pro-rated on a quarterly basis. Investors should understand that St. James provides its services directly to some clients, and indirectly, as sub-adviser, to other clients. When St. James provides its services directly, clients are charged an advisory fee as set forth in the investment management agreement between the client and St. James. In a sub-advisory relationship, St. James provides advisory services to another investment adviser for a fee, and that adviser charges an additional advisory fee. Therefore, when St. James acts as sub-adviser, the underlying client pays a greater overall advisory fee. For the years 2013 through 2019, net returns are presented net of all actual management fees, which included both the St. James fee and the management fee of the adviser in instances where St. James served as sub-adviser of a portfolio. During this time, accounts that did not pay an advisory fee accounted for less than 1% of the value of the Composite. Beginning January 2020, the Composite net return is calculated by deducting a model fee of 0.58% annually, pro-rated on a quarterly basis. The model fee is the asset-weighted average St. James management fee of all accounts in the Composite. St. James sub-advisory clients should understand that an additional advisory fee is charged by the adviser directly responsible for their account, and this fee has the effect of decreasing performance returns. Returns for sub-advised clients will be lower than those presented above. Both the gross and net returns do not reflect the deduction of withholding taxes on foreign dividends. Returns in this presentation include reinvestment of all income.

**Additional Information** The highest management fee charged by St. James is 0.75%, annually and is subject to negotiation. When St. James serves as sub-adviser on an account the highest fee charged by the Firm is 0.50%, annually. Sub-advised clients will almost always pay an additional management fee to their primary adviser. Therefore, net returns for those accounts may be lower than the Composite returns presented. Additional information regarding St. James' fees is included in Part 2A of the Form ADV. Internal dispersion is calculated using the asset-weighted standard deviation of all portfolios included in the Composite for the entire year. Dispersion is not presented for periods less than one year or when there were five or fewer portfolios in the Composite for the entire year. The three-year annualized standard deviation measures the variability of the Composite and benchmark returns over the preceding 36-month period. The standard deviation is presented for 2002 through 2010, though it is not required for periods prior to 2011. Internal dispersion and standard deviation are calculated using gross-of-fees returns. For the years 1999 and 2000 of this Composite performance can be confirmed by electronic records rather than client custodial statements, which are no longer available for this time period. This presentation does not disclose the effect of material or economic conditions on the results portrayed. Total Strategy Assets include Composite assets and strategy advisory-only assets for which St. James provides investment recommendations to another firm for portfolios managed to the Composite strategy but has no control over the implementation of investment decisions or trading authority for the assets. Strategy advisory-only assets are presented as supplemental information. The Total Firm and Advisory-Only Assets column reflects discretionary and non-discretionary assets for all strategies within the Firm, in addition to advisory-only assets for the Select Value Composite. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

Past performance does not guarantee future results.