

# ST. JAMES INVESTMENT COMPANY

## SELECT VALUE PERFORMANCE OVERVIEW - AUGUST 2023

### 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.

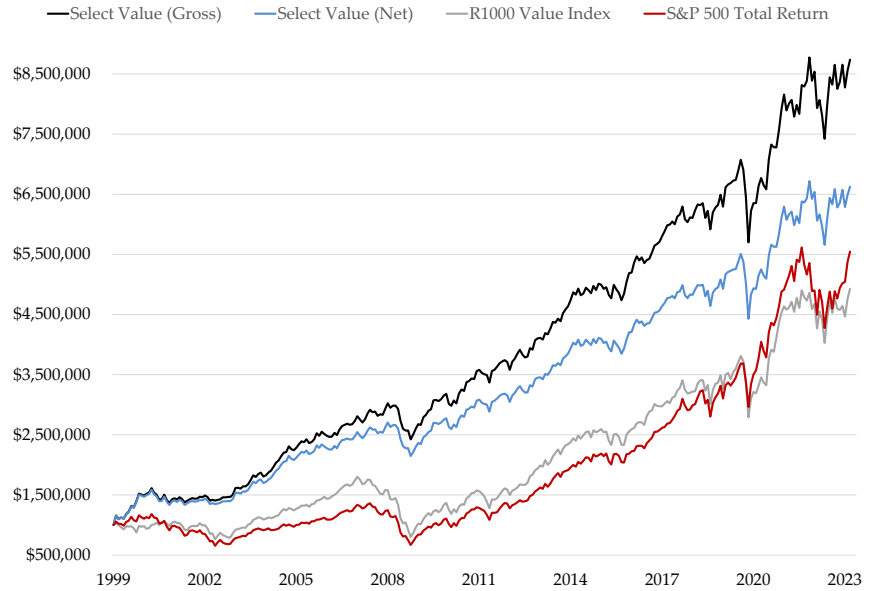
**Inception:** June 1999

**Benchmark:** Russell 1000 Value

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

**Dividend Yield:** 2.9%

### Value of \$1,000,000 Invested Since Inception



### Select Value Metrics vs. Russell 1000 Value

Annualized Alpha (Net)	4.5%
Standard Deviation - Select Value (Net)	10.4%
Standard Deviation - Russell 1000 Value	15.5%
Upside Capture Ratio	60.9%
Downside Capture Ratio	48.1%

### Performance

	YTD	1 YR	2 YR	3 YR	5 YR	10 YR	20 YR	SI
Select Value (Gross)	3.3%	10.1%	3.2%	8.3%	6.4%	7.5%	8.6%	9.3%
Select Value (Net)	3.0%	9.3%	2.5%	7.5%	5.5%	6.4%	7.4%	8.0%
Russell 1000 Value	5.9%	8.6%	0.9%	11.6%	7.1%	9.1%	8.4%	6.7%
S&P 500 TR	18.7%	15.9%	1.4%	10.5%	11.1%	12.8%	9.9%	7.2%

### Select Value Metrics vs. S&P 500 TR

Annualized Alpha (Net)	4.0%
Standard Deviation - Select Value (Net)	10.4%
Standard Deviation - S&P 500 TR	15.4%
Upside Capture Ratio	62.5%
Downside Capture Ratio	44.1%

### Maximum Drawdowns

	2000-2002	2007-2009
Select Value (Gross)	-15.3%	Select Value (Gross) -19.9%
Select Value (Net)	-16.1%	Select Value (Net) -20.6%
R1000 Value	-27.7%	R1000 Value -55.6%
S&P 500 TR	-44.7%	S&P 500 TR -50.9%

### Top Ten Holdings

Cash	United States	20.6%
Berkshire Hathaway Inc. B	United States	10.3%
Agnico Eagle Mines, Ltd.	Canada	7.0%
Loews Corporation	United States	5.8%
DuPont de Nemours, Inc.	United States	5.7%
Unilever plc	United Kingdom	5.3%
Enbridge, Inc.	Canada	4.8%
Comcast Corporation	United States	4.7%
Merck & Co	United States	4.7%
Cisco Systems, Inc.	United States	3.9%
Totals (% of Assets)		72.8%

### Sector Weightings

Financials	21.2%
Basic Materials	20.9%
Cash	20.6%
Healthcare	8.4%
Communications	8.2%
Energy	8.0%
Consumer Defensive	5.3%
Technology	3.9%
Real Estate	3.5%
Consumer Cyclical	0.0%
Utilities	0.0%
Industrials	0.0%

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 from Bloomberg® referencing ABEQ ETF Port Div Yld. Portfolio holdings are subject to change without notice. For a complete list of holdings, please contact us at: info@stjic.com. Please refer to the GIPS® Composite Report for important disclosures and information.

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

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

## Schedule of Comparative Performance Statistics (August 31, 2023)

Year	Gross of Fees Return	Net of Fees Return	Russell 1000 Value Index Return	S&P 500 TR Index Return	Composite 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%	30.5%	-2.1%	13.7%	n/a	n/a	n/a	6		0.0%	\$1.9	-	\$2.7	-
2000	8.7%	7.3%	7.0%	-9.1%	n/a	n/a	n/a	8	6.2%	0.0%	\$2.1	-	\$4.4	-
2001	1.3%	0.0%	-5.6%	-11.9%	n/a	n/a	n/a	16	6.6%	0.0%	\$4.0	-	\$6.4	-
2002	0.9%	-0.4%	-15.5%	-22.1%	11.7%	17.2%	18.8%	22	3.8%	0.0%	\$7.0	-	\$34.1	-
2003	25.1%	23.5%	30.0%	28.7%	9.5%	16.2%	18.3%	28	0.3%	0.0%	\$3.3	-	\$41.3	-
2004	20.6%	19.1%	16.5%	10.9%	7.7%	15.0%	15.1%	18	2.5%	45.9%	\$5.7	-	\$45.2	-
2005	10.0%	8.6%	7.0%	4.9%	7.6%	9.6%	9.2%	23	2.7%	38.8%	\$6.7	-	\$60.4	-
2006	9.9%	8.6%	22.2%	15.8%	7.2%	6.8%	6.9%	27	2.1%	24.2%	\$12.4	-	\$92.5	-
2007	8.3%	7.0%	-0.2%	5.5%	6.9%	8.2%	7.8%	33	0.9%	0.0%	\$19.3	-	\$76.3	-
2008	-10.9%	-12.1%	-36.9%	-37.0%	8.6%	15.6%	15.3%	64	3.5%	0.0%	\$29.1	-	\$114.1	-
2009	19.8%	18.4%	19.7%	26.5%	9.7%	21.4%	19.9%	271	2.7%	1.0%	\$133.5	-	\$220.1	-
2010	9.5%	8.2%	15.5%	15.1%	10.6%	23.5%	22.2%	814	1.4%	1.7%	\$302.6	-	\$504.6	-
2011	7.7%	6.4%	0.4%	2.1%	9.4%	21.0%	19.0%	1584	1.1%	2.0%	\$975.3	-	\$1,063.4	-
2012	4.6%	3.3%	17.5%	16.0%	8.3%	15.7%	15.3%	2155	0.6%	1.8%	\$1,190.2	-	\$1,281.4	-
2013	16.6%	15.2%	32.5%	32.4%	7.0%	12.9%	12.1%	2082	1.1%	1.6%	\$1,343.0	-	\$1,411.2	-
2014	10.7%	9.3%	13.5%	13.7%	6.2%	9.3%	9.1%	2289	0.6%	7.6%	\$1,380.4	-	\$1,461.5	-
2015	-0.9%	-2.2%	-3.8%	1.4%	6.5%	10.8%	10.6%	2166	0.9%	7.5%	\$1,189.3	-	\$1,268.6	-
2016	11.7%	10.3%	17.3%	12.0%	6.8%	10.9%	10.7%	2159	1.0%	10.9%	\$1,266.3	-	\$1,295.4	-
2017	13.6%	12.2%	13.7%	21.8%	6.2%	10.3%	10.1%	2586	0.9%	15.6%	\$1,353.9	-	\$1,397.9	-
2018	-4.0%	-5.0%	-8.3%	-4.4%	6.8%	11.0%	11.0%	2611	0.7%	15.3%	\$1,179.4	-	\$1,203.8	-
2019	19.5%	18.6%	26.6%	31.5%	7.2%	12.0%	12.1%	2340	1.0%	11.1%	\$1,209.6	-	\$1,243.3	-
2020	3.6%	2.8%	2.8%	18.4%	13.2%	19.9%	18.8%	1859	1.0%	9.8%	\$946.2	-	\$982.6	-
2021	13.5%	12.7%	25.1%	28.7%	13.5%	19.3%	17.4%	1450	0.7%	10.1%	\$772.9	\$919.4	\$810.8	\$957.3
2022	0.1%	-0.7%	-7.6%	-18.1%	15.5%	21.6%	21.2%	1345	0.5%	10.0%	\$728.3	\$933.9	\$762.7	\$968.3
2023	3.3%	3.0%	5.9%	18.7%	12.9%	17.5%	17.8%	1323	N/A	11.8%	\$712.5	\$933.8	\$741.3	\$962.6

\*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 SELECT VALUE GIPS® COMPOSITE REPORT

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 – 12/31/2022. 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.

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**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.

**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.

**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 time and asset weighted. Gross-of-fees returns are calculated gross of management and custodial fees, and net of some transaction costs. The Composite includes bundled fee accounts, which are accounts that pay a combined fee that covers adviser management fees, custody fees, trading costs and other administrative fees. The St. James management fee for these accounts is not bundled. Since 2010, Bundled Accounts have accounted for between 1.6% and 15.6% of total accounts include in the Composite, although this range fluctuates. Other accounts included in the Composite are not charged a bundled fee. 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 fee accounts are "pure gross" returns and are higher than accounts that do not have bundled fees, because they do not include any trading costs. Consequently, because the bundled fee accounts make up more than 10.0% 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. From inception through 2017, 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. For 2018, the maximum applicable St. James fee of 1.00% was used and, from 2019 – present, the maximum applicable St. James management fee of 0.75% was used. 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 a management 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 clients of 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. 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. 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. 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. 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. Due to an error, the number of portfolios, for 2006, changed from 32 to 27, and the number of portfolios, for 2007, changed from 42 to 33. An error on the April 2023 Report, showed the 2002 net of fees return as 61.6%. This has been corrected to -0.4%. Additional information regarding these errors is available upon request. 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. A portion of the value of these assets is reported as of the previous month-end. The amount is immaterial to the value of the Composite. The Total Firm and Advisory Asset Only 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.