

LetkoBrosseau

GLOBAL EQUITY (CANADIAN BIAS) STRATEGY

As at December 31, 2021

Strategy

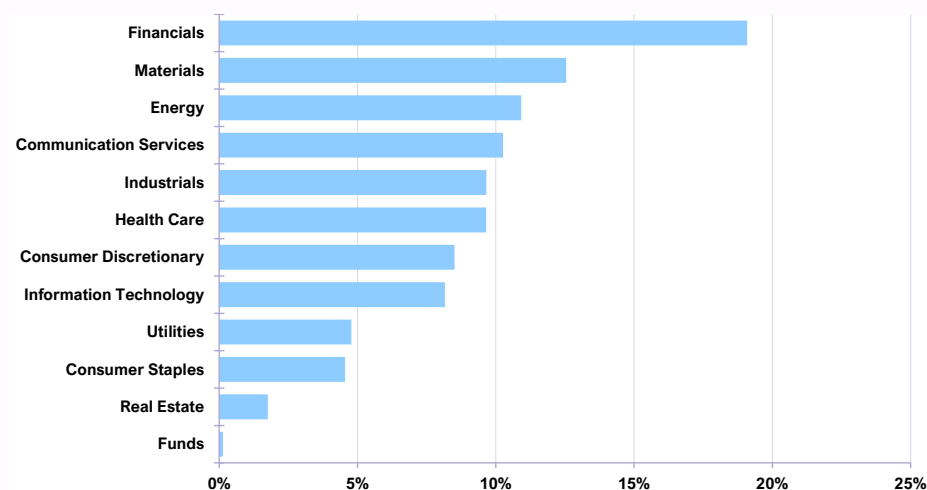
The strategy is designed for investors with a long-term investment horizon seeking a diversified global equity portfolio. LBA has been investing in companies in global equity markets since 1988. We offer a compelling value proposition based on our knowledge-based investing approach, collaborative team structure, price discipline, and low fees.

Firm Profile

Founded in 1987, Letko, Brosseau & Associates Inc. (LBA) is one of Canada's largest independent investment managers with approximately \$18 billion managed. We offer a select number of broad investment strategies including Global Balanced, Fixed Income, Global Equity, Canadian Equity Income, Fossil Fuel Free Equity, Emerging Markets Equity, Canadian Equity, EAFE Equity and Infrastructure Equity where we feel we can add value through our disciplined knowledge-based investment approach.

Inception Date	January 1 st , 1994
Category	Equity
Investment Options	Segregated Account (\$5 million) Pooled Fund Account (\$1 million)

Sector Weightings⁽¹⁾

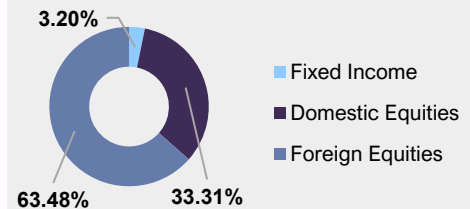


"Funds" represents held securities that are not shares of an individual company but units of a fund.

Compounded Annualized Returns⁽²⁾ (in Canadian dollars)

	3 months	1 year	3 years	5 years	10 years	Since Inception
LBA Global Equity (Canadian Bias) Composite	4.9%	26.0%	13.1%	8.2%	12.5%	11.5%

Asset Allocation⁽¹⁾



Characteristics⁽¹⁾

Average Dividend Yield	3.1%
Forward P/E Ratio	11.2
Average Market Cap	CA \$131.5 bil
Active Share	87.4%
# of Holdings*	169
Turnover Ratio*	9.6%

Country Weightings⁽¹⁾ (%)

Country	Weight (%)
Canada	37.6
United States	32.2
France	6.8
United Kingdom	3.7
Germany	2.9
Japan	2.7
Netherlands	1.9
China	1.5
Switzerland	1.4
India	1.1
Sum of Remaining Countries	8.2

(1) Information shown is based on the Letko Brosseau Global Equity (Canadian Bias) Composite.

*For the # of Holdings and Turnover Ratio the information shown is of a representative account, in this case the Letko Brosseau Equity Fund.

(2) Data is preliminary. See other notes on the next page for complementary information about this composite.



Portfolio Strategy Commentary⁽³⁾

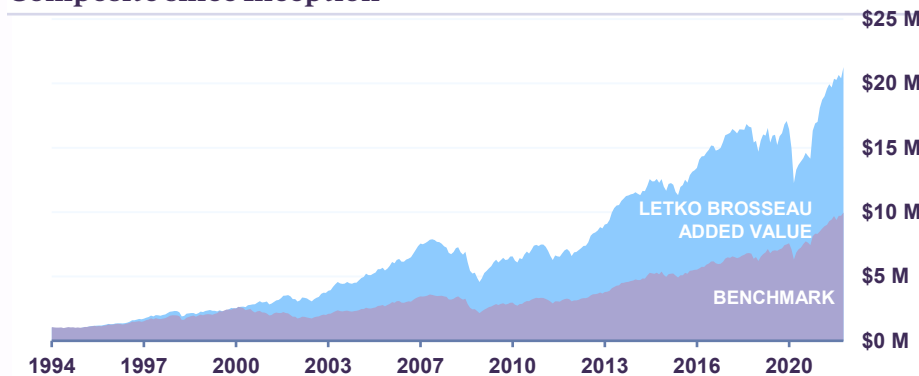
During the quarter, the Fund increased its position in **VMware, Inc.** VMware is a pioneer in virtualization solutions (infrastructure software) enabling organizations to aggregate multiple servers, storage and network resources to increase efficiency. VMware's compute, cloud, mobility, networking and security offerings provide a dynamic and efficient digital foundation to over 500,000 customers. Organizations of all sizes are increasingly focusing on a post-COVID world and, as such, are investing both on-premise and in the Cloud. VMware reported strong Q3 results, with revenue of \$3.19B, an increase of 11% year-over-year. Over the next several years, we expect VMware to grow its revenues by over 10% annually and its underlying earnings by ~12% annually. VMware currently trades at 15.4x 2022 earnings.

We initiated a small position in **Associated British Foods plc (ABF)** during the quarter. ABF is a UK-based global conglomerate with a leading position in branded food manufacturing, apparel retail, sugar and ingredients. ABF's food portfolio includes wellloved global brands such as Twinings, Mazola and Ovaltine, regional brands including Ryvita, Don and KR Castlemaine, as well as the fast-growing Blue Dragon, Patak's and Al'Fez ethnic brands. Primark, ABF's apparel offering, is an "extreme value" retailer with global presence and a good pipeline of growth ahead. ABF is the sole processor of British sugar and has a substantial South African sugar business. ABF is a leader in ingredients, providing enzymes, lipids and extracts, products that are highly valued by their customers as they greatly enhance their end products while costing very little. We forecast ABF to grow earnings in the double-digit range. ABF trades at a substantial discount to its peers, a very reasonable 14x earnings with a 2.7% dividend yield.

During the quarter, the Fund crystallized gains in **Canadian Natural Resources Limited (CNRL)** by reducing its position by 40%. CNRL is a premier Canadian oil and gas producer with 1,231,000 boe/d (barrels of oil equivalent per day) production in 2021 and massive reserves of 14.2 billion boe, equaling 35 years of production. As WTI crude oil reached over \$80 per barrel in October 2021, CNRL's stock price rose to levels above our calculated net asset value. In other words, the valuation gap that guided our decision to hold these stocks through 2020, and most of 2021, had largely been closed. Also, the overall weight of the energy sector in our portfolios had come up greatly because of share price appreciation. Therefore, we exercised prudent risk management and reduced our position at prices above our assessed intrinsic value, selling at prices above \$50/share, versus our average cost of \$32/share.

Value of \$1 million invested in the Global Equity (Canadian Bias)

Composite since Inception



The value graph above represents the excess return of our Global Equity (Canadian Bias) Composite over the benchmark gross of fees from January 1, 1994 to December 31, 2021. This value added is \$11.3 million as of December 31, 2021. This Composite includes all discretionary equity mandates with a bias towards Canadian equities and asset mix targets for fixed income securities of less than 10%. The Composite assets as of December 31, 2021 were \$2.97 billion or 16.14% of total assets under management. The benchmark of the Composite is 2% FTSE Canada 91 day T-Bill Total Return Index, 34% S&P/TSX Composite Total Return Capped Index (formerly TSE 300 Composite Total Return Capped Index) and 64% MSCI All Country World Total Return Net Index. The benchmark from June 1, 2007 to December 31, 2017 was 2% FTSE Canada 91 day T-Bill Total Return Index, 34% S&P/TSX Composite Total Return Capped Index (formerly TSE 300 Composite Total Return Capped Index) and 64% MSCI World Total Return Net Index. The benchmark since inception to May 31, 2007 was 2% FTSE Canada 91 day T-Bill Total Return Index, 59% TSE 300 Composite Total Return Index adjusted to cap the weighting of any associated group of equities at 10% of the index and 39% MSCI World Total Return Net Index. Performance results reflect the reinvestment of dividends, income and other earnings and are presented net of all foreign withholding taxes. Reclaimable withholding tax refunds are recognized when received. The benchmark is fully invested and its returns include the reinvestment of dividends, income and other earnings. Performance results are presented before management and custodial fees but after trading commissions. Custody/administration costs may vary depending on client's custody arrangement and account.

(3) The transactions mentioned in the Portfolio Strategy Commentary section are of a representative account, in this case the Letko Brosseau Equity Fund and do not represent all the securities bought or sold in the fund during the quarter. A list of all purchases and sales made during the past year can be provided on request. It should not be assumed that an investment in these securities was or will be profitable.

(4) Information shown is based on the Letko Brosseau Global Equity (Canadian Bias) Composite.

This document has been prepared by Letko, Brosseau & Associates Inc. for informational purposes only and is not intended to provide, and should not be relied upon for, accounting, legal or tax advice or investment recommendations. It should not be considered a solicitation to buy or an offer to sell a security. There is no representation or warranty as to the current accuracy of, nor liability for, decisions based on such information. Past performance is not a guarantee of future returns. All investments pose the risk of loss and there is no guarantee that any of the benefits expressed herein will be achieved or realized.

This presentation may contain certain forward-looking statements which reflect our current expectations or forecasts of future events concerning the economy, market changes and trends. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions regarding currencies, economic growth, current and expected conditions, and other factors that are believed to be appropriate in the circumstances which could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

Top 10 Holdings⁽⁴⁾ (%)

	Weight(%)
Pfizer Inc	1.67
Bank Of Nova Scotia	1.63
Siemens Ag	1.42
Bank Of Montreal	1.37
Teck Resources Ltd	1.36
Manulife Financial Corp	1.34
Abbvie Inc	1.34
At&T Inc.	1.33
Suncor Energy Inc	1.32
Bnp Paribas	1.30

Fee Schedule	Amount	Fee
First	\$300,000	1.00%
Next	\$700,000	0.75%
Next	\$2,000,000	0.50%
Remaining Account balance		0.25%

