



i-Watch Rating System:

Date May 12, 2025

Fund Manager Sprucegrove Investment Management

i-Watch Status ● **Increased Scrutiny**

- No concern(s)
- Moderate concern(s) requiring frequent and close monitoring
- Serious concern(s) that require a full review and may lead to removal from the fund platform

Product(s) Impacted:

Manulife Sprucegrove International Equity Fund (8361)
Manulife Sprucegrove Global Equity Fund (8362)

Summary

- Sprucegrove Investment Management announced co-Portfolio Manager Shirley Woo's retirement by the end of 2027, transitioning her to a Senior Advisor role.
- The Manulife Global Manager Research (GMR) team placed the Sprucegrove International and Global Equity Funds on the Closely Monitored List under Increased Scrutiny following Woo's retirement transition.

Commentary

In the fourth quarter of 2024, Sprucegrove Investment Management (the "Firm" or "Sprucegrove") announced that Shirley Woo, co-Portfolio Manager of the Sprucegrove International and Global Equity Funds (collectively, the "Funds"), would retire by the end of 2027. As part of her transition, Woo stepped down from her day-to-day portfolio management duties on March 1, 2025, to become a Senior Advisor. In this new role, she focuses on investment research and mentoring junior equity research analysts.

Additionally, the Firm appointed Matthew Bellis as Research Director in January 2025. This move is expected to alleviate the workload of Jonathan Singer, the previous Research Director. This change enables Singer to work more closely with veteran Portfolio Managers Chris Rankin and Arjun Kumar in managing the Funds going forward.

Impact

GMR does not anticipate that Woo's transition to retirement will materially modify the performance expectations for the Funds. This view is based on three considerations. First, the three-year notice of Woo's ultimate retirement is consistent with the Firm's proactive succession planning for key investment professionals. This advance notice allows ample time for the team to prepare for her departure, as demonstrated in previous retirements at the Firm. Additionally, GMR believes that the Funds remain under the leadership of a team well versed in Sprucegrove's quality-value investment style. The key professionals managing the Funds—Kumar, Rankin, Singer, and Bellis—have an average of seventeen years of experience in

applying this approach to the Global and International Equity universe. Lastly, Sprucegrove's investment strategy is clearly articulated and has been consistently implemented across various market cycles. Given the historically low turnover of the Portfolio Management team, Woo's departure is unlikely to result in a sudden change in strategy.

Closing Remarks

While there is limited concern about Woo's retirement, GMR considers it prudent to increase its monitoring of the Funds in 2025. GMR will focus on assessing the investment decision-making process within the Portfolio Management team and ensuring their continued adherence to Sprucegrove's investment approach.



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