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Intrinsic Value Stewardship®

International Large Strategy

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Intrinsic Value Stewardship® (IVS) Intl. Large

Q3 2026 Strategy Factsheet

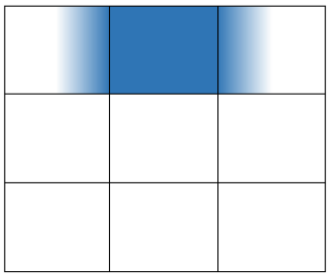
IVS International Large strategy provides broad international developed large-cap core exposure seeking outperformance with lower-risk characteristics and downside protection. The strategy is designed to help investors remain invested through market cycles and support steady long-term wealth accumulation.

IVS systematically excludes speculative, overvalued companies and poor capital stewards with unfavorable risk-return characteristics. By removing inferior companies, the strategy maintains more stable returns to create sustainable economic wealth over time.

Investment Objective

- Capital Appreciation
- Lower Risk Attributes
- Lower Tracking Error

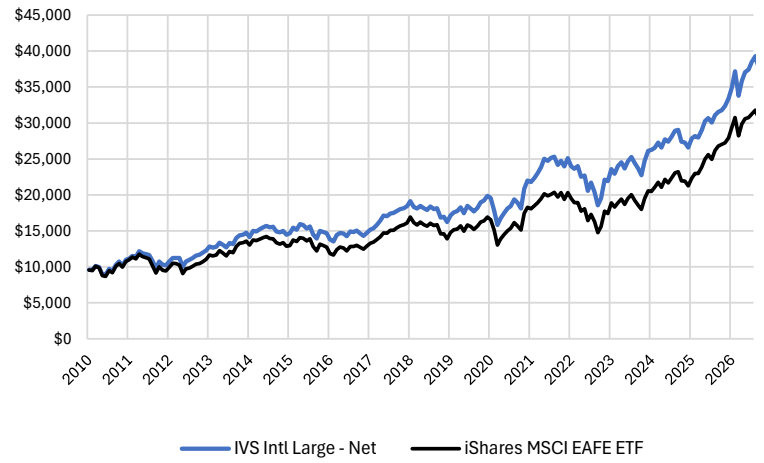
International Equity Style: Large Core



Key Statistics

	IVS Intl Large
# of Holdings	378
Beta:	0.95
Sharpe Ratio:	0.45
Information Ratio:	0.54
Tracking Error:	2.43%
Turnover:	44.2%
Upside Capture:	97.2
Downside Capture:	91.9
Average Mkt Cap ($Mil):	47,503
Wtd. Avg Mkt Cap ($Mil):	141,967

Growth of $10K

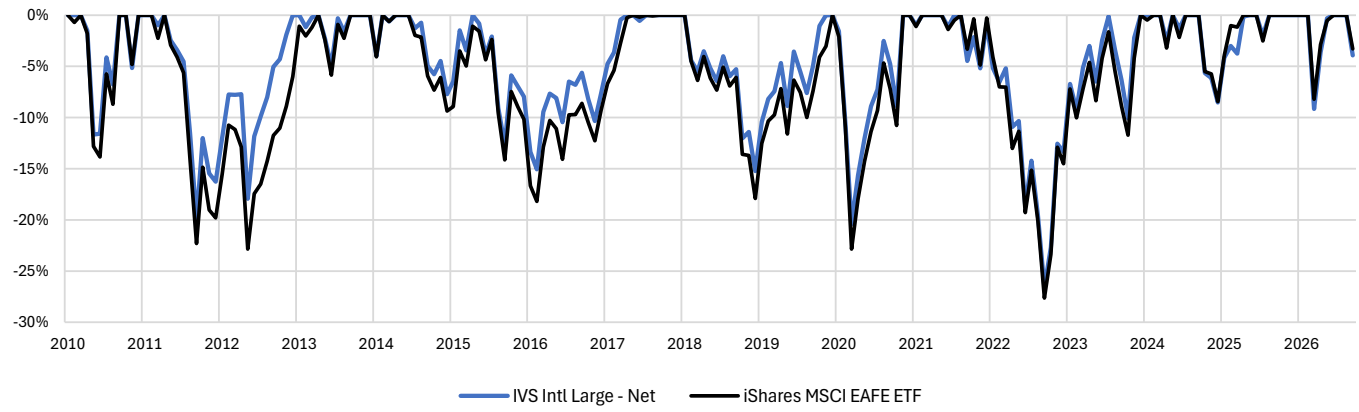


	Annualized Return	Annualized Excess Return
IVS Intl Large - Net	8.25%	1.32%
iShares MSCI EAFE ETF	6.93%	-

Trailing Returns %

	1 Mth	3 Mth	YTD	1 Year	3 Years	5 Years	10 Years	16.75 Years
IVS Intl Large - Net	-3.94	0.81	12.95	19.73	16.78	9.32	9.63	8.25
iShares MSCI EAFE ETF	-3.30	-0.11	9.95	14.71	18.30	9.30	8.99	6.93

Drawdown



Net returns reflect an annual advisory fee of 0.32%, accrued monthly

Past performance does not guarantee future results.

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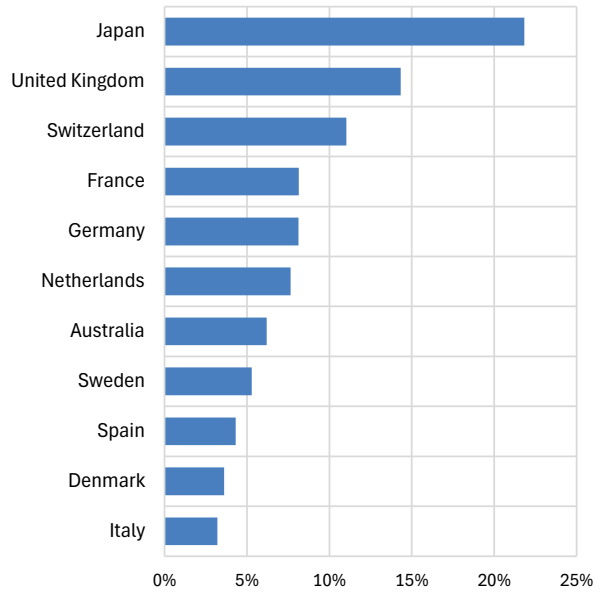
Largest IVS Holdings

	Weight (%)
Asml Holding Nv	4.96
Roche Holding Aktiengesellschaft	3.08
Bhp Group Ltd	2.92
Mitsubishi Ufj Financial Group Inc	2.29
Deutsche Telekom Ag	2.13
Novartis Ag	2.03
Astrazeneca Plc	1.86
Novo Nordisk As	1.53
Allianz Se	1.47
Hsbc Holdings Plc	1.36

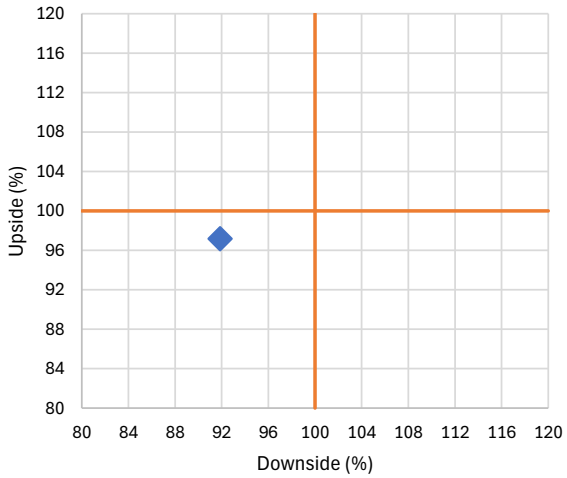
Sector Exposure

	Weight (%)
Financials	23.3
Industrials	18.2
Health Care	12.3
Information Technology	11.3
Consumer Discretionary	9.2
Consumer Staples	8.0
Materials	6.7
Communication Services	5.7
Energy	2.7
Utilities	2.3
Real Estate	0.3

Country Exposure



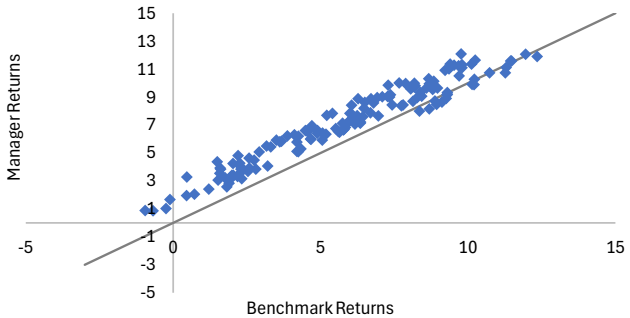
Upside/ Downside Capture



	Upside (%)	Downside (%)
IVS Intl Large - Net	97.17	91.88
iShares MSCI EAFE ETF	100.00	100.00

Manager Consistency

Manager Consistency 5 Year Rolling



	# of Observations	# OutPerform Benchmark	% OutPerform Benchmark
IVS Intl Large - Net	142	129	91%
iShares MSCI EAFE ETF	---	---	---

Manager Consistency 10 Year Rolling

	# of Observations	# OutPerform Benchmark	% OutPerform Benchmark
IVS Intl Large - Net	82	82	100%
iShares MSCI EAFE ETF	---	---	---

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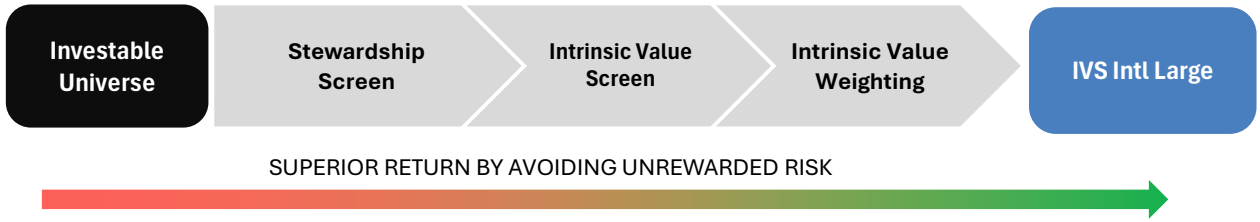
Intrinsic Value Stewardship® (IVS) De-Selection Process



IVS combines Intrinsic Value and Stewardship to systematically remove speculative, overvalued companies and poor stewards of capital that destroy wealth. Historically, these "junk" companies have experienced deeper drawdowns and weaker long-term performance. The result is a portfolio of companies that create sustainable economic wealth.

By removing overvalued companies and poor stewards of capital, the strategy focuses on a higher quality investment universe. The remaining holdings are weighted by intrinsic value rather than market capitalization to support broad market participation and superior long-term compounding of wealth across full market cycles.

IVS Investment Strategies for Intelligent Global Diversification

		IVS Core Exposure	
		US	Intl
Size	Large	IVS US Large	IVS Intl Large
	SMID	IVS US SMID	IVS Intl SMID

As a foundational building block within the IVS Global Allocation framework, IVS Intl Large is part of a unified family of investment strategies designed to deliver consistent, risk-aware exposure across global markets. The shared investment philosophy supports globally diversified, tax-efficient allocations built for long-term, after-tax wealth compounding.

Scientific Research:

The IVS framework is grounded in academic and practitioner research demonstrating that intrinsic value, economic profitability, and disciplined capital allocation are key drivers of long-term wealth creation.

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This research shows that intrinsic value provides a more effective framework than traditional price-based measures for identifying long-term return potential across market environments, helps explain the declining performance of conventional value strategies, and documents that prices tend to converge toward intrinsic value over time. It also shows that companies with positive Economic Margins that reinvest prudently are more likely to create shareholder wealth, reinforcing the principles that underpin the IVS framework.

Selected Research

•Intrinsic Value: A Solution to the Declining Performance of Value Strategies
Derek Bergen, Francesco Franzoni, Daniel Obrycki, Rafael Resendes, **Financial Analysts Journal**
•How Quickly Do Equity Prices Converge to Intrinsic Value?
Dennis R. Capozza and Ryan D. Israelsen, **Journal of Investment Management**
•Profitability Meets Investment: The Wealth Creation Effect in Stock Returns
Francesco A. Franzoni, Daniel Obrycki, Rafael Resendes, **Financial Analysts Journal**

Disclosures

Applied Finance certifies that the data, portfolio composition, return data and viewpoints contained in this presentation accurately reflect our firm's IVS models. The information provided is based on material we believe to be accurate and reliable. However, we do not guarantee its accuracy, completeness, timeliness, or suitability for any specific investment decisions.

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Performance comparisons: Strategy returns are shown net of fees only. Net returns reflect the deduction of an annual fee, accrued monthly, of 0.32% for IVS International Large and 0.40% for IVS International SMID.