

Emerging Markets Equity Strategy

First Quarter, 2022



Portfolio Activity

We initiated two new positions this quarter: Telkom Indonesia and China Merchants Bank. Telkom Indonesia (TLKM) is the country's dominant telecom operator, with approximately 60% of wireless and over 80% of fixed broadband market share. Indonesia's broadband penetration stands at only 15% of households and TLKM, with its scale and strong balance sheet, should be well placed to benefit from the expected growth. Since the onset of COVID-19, TLKM has expanded its digital connectivity infrastructure to promote digital solution services with more than 300,000 SMEs. Trading at 15.6x forward 12-month earnings, its valuation looks compelling considering its strong business fundamentals.

Considered one of the highest-quality banks in China, China Merchants Bank's (CMB) strength lies in its retail business, relatively healthy balance sheet, and industry-leading profitability. Its low-cost deposit franchise is a key competitive advantage. The bank's strong historical credit quality and reserve coverage suggest a culture of prudent risk management. CMB has shifted its loan portfolio to increase exposure to more profitable retail loans including mortgages, credit cards, and microfinance, the latter now reaching 10% of the total loan portfolio. We view CMB's relative valuation as attractive with an ROE of 17% and strong dividend growth.

We sold out of Yandex NV, the only Russian holding in the portfolio, as the Russian President's rhetoric raised fears of a potential invasion. We also trimmed exposure in the semiconductor industry on less favorable risk-reward profiles.

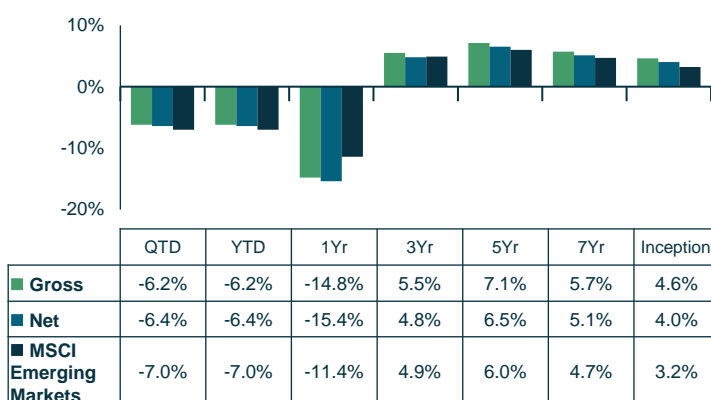
Portfolio Review

The Boston Common Emerging Markets strategy declined -6.2% (before fees), outperforming the MSCI EM Index's ("the Index") return of -7.0%. Stock selection in Financials was the largest contributor to relative performance. Our bank holdings in Latin America, including Itau Unibanco in Brazil, Credicorp in Peru, and Bancolombia in Colombia, as well as Indonesian microfinance lender Bank Rakyat all outperformed. Common to these countries' economies is the improving terms of trade, which support credit growth especially as many emerge from pandemic-related slowdowns. Stock selection in Real Estate and Communication Services also contributed. China property company Longfor and Thai telecom operator Advanced Information Services both benefited from their resilient business fundamentals. Other notable contributors include Chilean lithium producer SQM and Brazilian industrial company WEG. We have no exposure to conventional Energy, which also helped relative results.

Stock selection in Technology detracted most from relative returns during the quarter. Chinasoft International, a leading software solutions provider, was pressured by a near-term spike in its cost structure despite experiencing strong revenue growth driven by cloud and AI. Semiconductor holdings, including TSMC and Win

Semi in Taiwan and memory manufacturer SK Hynix in Korea, declined on near-term demand concerns. The Materials sector was the next-largest detractor, impacted by the portfolio's lack of exposure to the best-performing metals and mining stocks. Stock selection in the Consumer Discretionary sector also detracted. Regulatory concerns around China's evolving internet policies as well as indirect exposure to Russia weighed on Naspers. Giant, the world's largest bike manufacturer, and Minth, a leading auto parts supplier with exposure to Electric Vehicles, faced near-term earnings pressure due to rising raw material costs. Among countries, Taiwan and South Africa were the primary detractors.

Performance



Annual Returns

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Gross	-6.2%	-7.8%	24.0%	24.4%	-16.6%	44.5%	8.4%	-13.5%	-0.5%	1.2%
Net	-6.4%	-8.4%	23.2%	23.6%	-17.1%	43.5%	7.9%	-13.8%	-1.0%	0.8%
MSCI EM	-7.0%	-2.5%	18.3%	18.4%	-14.6%	37.3%	11.2%	-14.9%	-2.2%	-2.6%

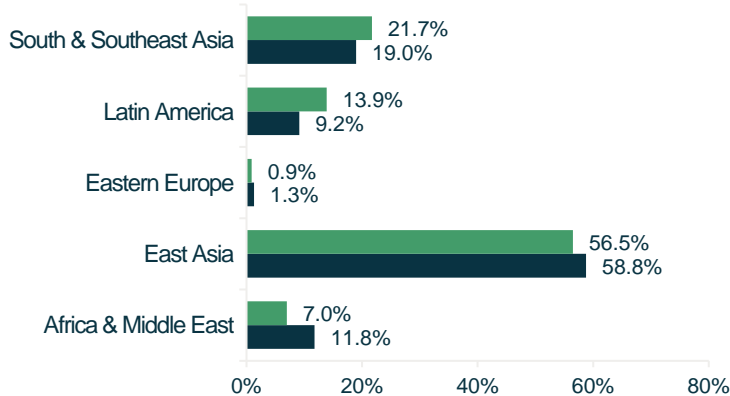
Portfolio Characteristics

	Boston Common	MSCI Emerging Markets
# Holdings	54	1,399
Valuation		
Price/EPS (NTM)	12.3	12.3
Enterprise Value/EBITDA (NTM)	7.2	7.2
Price/Book	2.2	2.0
Price/Sales	2.0	1.6
Dividend Yield	2.0%	2.1%
Growth		
3yr EPS Consensus Growth	11.6%	3.4%
3yr Sales Growth	9.9%	7.5%
Quality		
Beta**	0.98	1.00
LT Debt to Cap	25.9%	21.4%
Net Debt to EBITDA	0.4	0.1
Return on Equity	15.8%	15.5%
Earnings Variability***	24.6%	28.1%
Free Cash Flow Yield	3.6%	4.5%

Source: APX Advent Portfolio Exchange. Past performance does not guarantee future results. All investments involve risk, including the risk of losing principal

*Since Inception: December 31, 2012 **The Beta calculation is based on the trailing five-year performance of a representative account within a portfolio's strategy, ***Variability is calculated as the mean absolute difference between actual earnings per share and a five-year historical growth trendline, expressed as a percentage of trendline

Regional Allocation



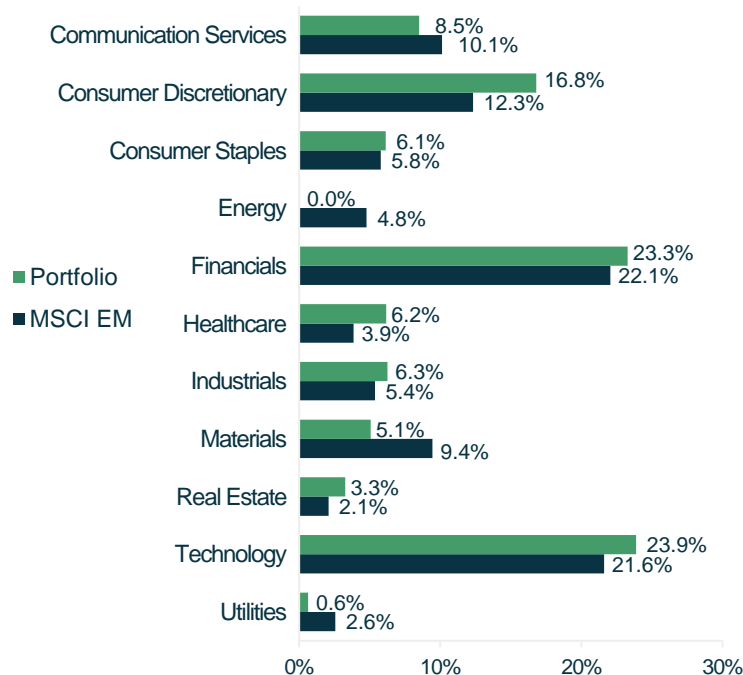
Portfolio Activity

Closed	Sector	% of Port.
YANDEX N V SHS CLASS A ADR	Communication Services	1.4%
Total Closed		1.4%
New	Sector	% of Port.
CHINA MERCHANTS BANK-H	Financials	1.5%
JD.com Inc	Consumer Discretionary	0.0%
TELKOM INDONESIA PERSERO TBK	Communication Services	1.4%
Total New		2.9%

Contributors & Detractors

Top 10	% of Capital	Return	Relative Contrib.	Sector
ITAU UNIBANCO HLDG SA	1.9%	52.7%	0.93%	Financials
CREDICORP LTD	2.2%	40.8%	0.87%	Financials
SOCIEDAD QUIMICA MINERA DE CHILE	1.2%	69.8%	0.75%	Materials
BANK RAKYAT INDONESIA	2.9%	16.8%	0.66%	Financials
BANK OF COMMUNICAT	2.5%	18.5%	0.52%	Financials
WEG SA	1.4%	24.9%	0.47%	Industrials
BANCOLOMBIA S A	1.1%	37.5%	0.44%	Financials
LOJAS RENNER S.A.	1.1%	32.7%	0.40%	Consumer Discretionary
KASIKORNBANK PCL	2.0%	14.3%	0.38%	Financials
AXIS BANK	1.9%	10.0%	0.30%	Financials
			5.72%	
Bottom 10				
CHINASOFT INTL LTD	1.5%	-35.9%	-0.59%	Technology
WIN SEMICONDUCTORS	1.7%	-31.4%	-0.52%	Technology
NASPERS	2.4%	-26.5%	-0.49%	Consumer Discretionary
MINTH GROUP LTD SHS	1.0%	-43.9%	-0.48%	Consumer Discretionary
TAIWAN SEMICONDUCTOR	8.1%	-13.0%	-0.46%	Technology
YANDEX N V	0.8%	-34.4%	-0.45%	Communication Services
GIANT MANUFACTURING	1.7%	-27.1%	-0.41%	Consumer Discretionary
SK HYNIX INC	5.8%	-11.7%	-0.33%	Technology
LG HOUSEHOLD&HEALT	1.6%	-23.3%	-0.32%	Consumer Staples
CHINA TRAD CHINESE	2.3%	-20.7%	-0.30%	Healthcare
			-4.36%	

Sector Allocation



Shareowner Engagement Highlights

Portfolio Company Progress

- Booking Holdings released its first Climate Action Plan - a key step for a global online travel company - which includes a near-zero emissions target for its operations by 2030 and net zero by 2040.
- Alibaba is developing a company-wide human rights policy, recently established a board-level sustainability committee, and announced new climate targets.
- Lloyds integrated sustainability objectives into its core business planning and is linking sustainability to variable compensation for leadership.
- Yamaha is on track to meet its sustainable timber sourcing goal this year and plans to set more ambitious targets next year. Yamaha recently joined the 30% Club of Japan and signed the Women's Empowerment Principles.

Public Policy: SEC announces new climate disclosure requirements

- The SEC's Enhancement and Standardization of Climate-Related Disclosure includes Scope 3. Boston Common recommended the inclusion of Scope 3 and assurance in its written submission to the SEC and in its meeting with Chairman Gensler last fall.

Strategy Vehicle Options

Separate Account, Commingled Fund, Mutual Fund

Source: APX Advent Portfolio Exchange. Past performance does not guarantee future results. All investments involve risk, including the risk of losing principal. The information in this document should not be considered a recommendation to buy or sell any security. There is no assurance that any securities we discuss will remain in a strategy at the time you receive this document. The securities discussed do not represent a strategy's entire portfolio and may represent only a small portion of a strategy's holdings. It should not be assumed that any securities transactions we discuss were or will prove to be profitable. A different company is selected each quarter to be featured in our Company Spotlight. The company is chosen based on any potential updates to our investment thesis and/or ESG case. Composite returns are presented in U.S. dollars, net of transaction costs, management fees and withholding taxes, with interest and dividends accrued. Returns for periods greater than one year are annualized. This product invests in foreign securities, which are subject to special currency, political and economic risks. The MSCI (Net) Emerging Markets Index captures large and mid-cap representation across the emerging market countries, as defined by Morgan Stanley. The index is unmanaged and does not incur management fees, transaction costs, or other expenses associated with separately managed accounts. The composition of our composite is different from the composition of these indices because of differences in sector and industry exposure, risk, volatility and holdings. Boston Common claims compliance with Global Investment Performance Standards (GIPS®). For a full listing of Boston Common's composites and to request a GIPS® Compliant presentation, please call the Compliance department at 617-720-5557.