

All Country International Strategy Update

Third Quarter, 2022



Portfolio Activity

Among our transactions this quarter, we sold packaging company DS Smith in the UK. While we appreciate the company's position as Europe's largest recycler of cardboard, DS Smith appears squeezed by higher input costs and softening box demand.

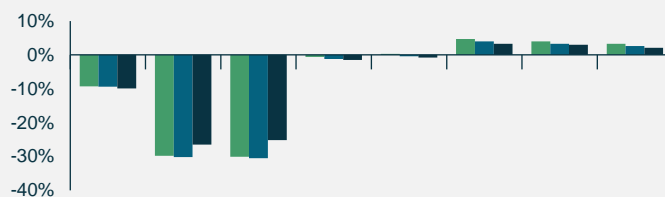
We also acquired European payments processor Worldline, a previously owned stock. Worldline fundamentals are recovering with tourism while M&A-driven restructuring is substantially complete after the sale of the terminal hardware business. Valuation, meanwhile, appears attractive, having collapsed to all-time lows.

Portfolio Review

Boston Common's ACWIXUS strategy declined -9.3% before fees, slightly outperforming the MSCI ACWIXUS Index ("the Index"). Stock selection in the Financials sector was the leading contributor to relative results. Emerging Market banks, Itau in Brazil, HDFC in India, and Rakyat in Indonesia, rose with rising interest rates, as did OCBC in Singapore. Communications Services also helped relative performance, led by Telekom Indonesia. Swiss pharmaceutical company Roche had a flat quarter, displaying its defensive attributes. In Japan, lens manufacturer Hoya rebounded, while Eisai announced positive clinical trial headlines from its key Alzheimer's drug. Japan was the leading regional contributor, boosted by the above names as well as job search engine Recruit.

Stock selection in the Consumer Discretionary sector was the primary detractor from returns. Adidas declined with operational challenges in its key markets of Europe and China, while lockdowns in key Chinese cities also weighed on Alibaba and leading Electric Vehicle and battery manufacturer BYD. With China one of the worst performers (-22.5%), several notable laggards were Chinese holdings: Xinyi Solar, China Traditional Medicine, Ping An Insurance, and Weichai Power. Regionally, UK was the greatest detractor from relative performance. British home builder Barratt was pressured by the UK macro backdrop, as spiking interest rates are a headwind for residential real estate, while animal healthcare firm Dechra Pharma fell with lowered guidance.

Performance



	QTD	YTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception*
Gross	-9.3%	-29.8%	-30.1%	-0.6%	0.3%	4.7%	4.0%	3.3%
Net	-9.4%	-30.2%	-30.5%	-1.2%	-0.4%	4.0%	3.3%	2.6%
MSCI ACWIXUS	-9.9%	-26.5%	-25.2%	-1.5%	-0.8%	3.3%	3.0%	2.1%

Annual Returns

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Gross	-29.8%	0.3%	26.3%	25.4%	-12.3%	31.5%	1.0%	-4.7%	-1.8%	17.5%
Net	-30.2%	-0.4%	25.4%	24.5%	-13.0%	30.5%	0.1%	-5.4%	-2.5%	16.7%
MSCI ACWIXUS	-26.5%	7.8%	10.7%	21.5%	-14.2%	27.2%	4.5%	-5.7%	-3.9%	15.3%

Portfolio Characteristics

	Boston Common	MSCI ACWIXUS
# Holdings	61	2,271
Valuation		
Price/EPS (NTM)	12.5	11.6
Enterprise Value/EBITDA (NTM)	7.2	6.9
Price/Book	1.8	1.7
Price/Sales	1.5	1.2
Dividend Yield	2.8%	3.3%
Growth		
3yr EPS Consensus Growth	8.6%	5.0%
3yr Sales consensus Growth	6.5%	5.7%
Quality		
Beta**	1.05	1.00
LT Debt to Cap.	28.1%	28.7%
Net Debt to EBITDA	1.2	1.3
Return on Equity	13.3%	13.9%
Earnings Variability***	22.7%	26.0%
Free Cash Flow Yield	6.7%	5.2%

Strategy Vehicle Options

Separate Account, Commingled Fund, Model/ADR, Mutual Fund¹

¹Subadvised by Boston Common

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, 2010, **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

Outlook and Positioning

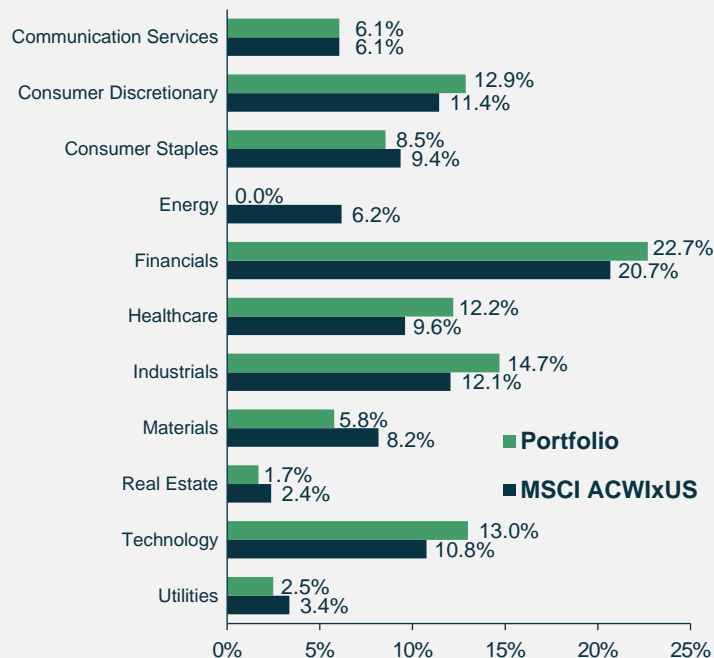
Europe looks prepared to manage through this winter without Russian gas, having taken steps to collectively reduce energy demand, increase gas storage, and ensure fiscal support to lessen the impact on consumers. However, inflationary pressures, higher interest costs, and Russia's war against Ukraine have dampened economic activity. Looking forward, easing supply chain disruptions and declining commodity prices, including natural gas, suggest inflation may have peaked and central banks could be closer to the end of their tightening cycles. With the added motivation of national security, we are encouraged by the exceptional growth prospects for investment in renewable power, electrification, and resource efficiency, themes prominently featured in our portfolios. Valuations appear to discount much of the macroeconomic risks as well as a downgraded 4% earnings growth estimate for next year; the Index P/E of 11x is more than one standard deviation below its 20-year average.

Given the mixed outlook, our portfolios are balanced between defensive and economically sensitive stocks with an emphasis on strong long-term growth prospects. We are overweight Healthcare, a sector with stable demand as well as innovative product development. We also have more exposure to Financials relative to the Index, reflecting the uniquely favorable impact from rising interest rates on banks and insurance companies' profits. In the Industrials and Technology sectors, we hold many companies poised to benefit from greater demand for the tools to transform economies to net-zero carbon emissions.

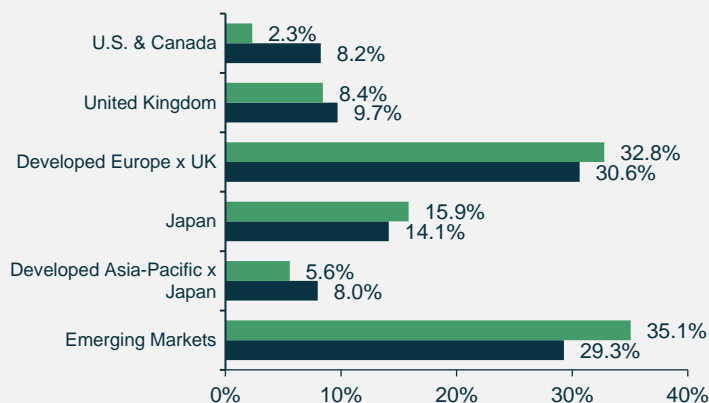
Contributors & Detractors

Top 10	% of Capital	Return	Relative Contrib.	Sector
ITAU UNIBANCO HLDG SA	1.4%	21.0%	0.41%	Financials
EISAI CO	1.0%	27.1%	0.38%	Healthcare
HDFC BANK LTD	2.3%	7.2%	0.36%	Financials
TELKOM INDONESIA	1.9%	9.1%	0.34%	Communication Services
SOCIEDAD QUIMICA MINERA DE C	2.0%	8.7%	0.33%	Materials
OVERSEA-CHINESE BK	2.5%	3.2%	0.32%	Financials
DELTA ELECTRONIC	1.8%	8.8%	0.31%	Technology
HOYA CORP	1.5%	12.5%	0.30%	Healthcare
ROCHE HLDGS	3.3%	-1.2%	0.29%	Healthcare
BK RAKYAT	1.9%	5.9%	0.29%	Financials
			3.34%	

Sector Allocation



Regional Allocation



Bottom 10	% of Capital	Return	Relative Contrib.	Sector
BYD COMPANY LTD	2.2%	-38.1%	-0.71%	Consumer Discretionary
CHINA TRAD CHINESE	1.3%	-42.3%	-0.54%	Healthcare
ALIBABA GROUP HLDG LTD	1.7%	-29.6%	-0.41%	Consumer Discretionary
WEICHAI POWER CO	1.0%	-40.2%	-0.33%	Industrials
PING AN INSURANCE	1.7%	-26.5%	-0.32%	Financials
ADIDAS	1.3%	-32.8%	-0.30%	Consumer Discretionary
BARRATT DEVEL	1.2%	-31.2%	-0.26%	Consumer Discretionary
XINYI SOLAR HLDGS	1.2%	-30.9%	-0.24%	Technology
DECHRA PHARMA	1.2%	-30.3%	-0.24%	Healthcare
ORSTED A/S	1.5%	-23.2%	-0.19%	Utilities
			-3.54%	

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 is not a recommendation to buy or sell any security. There is no assurance that securities discussed will remain in a strategy upon receiving this document. Securities discussed represent only a portion of a strategy's holdings. It should not be assumed that securities transactions discussed were or will be profitable. 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 ACWI ex. U.S. Index is a free-float adjusted, market capitalization weighted index of the largest publicly traded companies listed on the exchanges of developed and emerging market countries around the world, excluding U.S.-based companies. 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 varies from the composition of the Index 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 617-720-5557.

