Strategy Overview

First Quarter, 2023

Emerging Markets Equity Strategy

Boston Common's Emerging Markets strategy invests in a diversified portfolio of high-quality companies with sound governance and sustainable business models selling into growing end markets. Strategy vehicle options include Separate Account, Commingled Fund, & Mutual Fund.

Portfolio Activity

We used the recent market volatility to increase allocation to high-quality growth companies trading at a discount while exiting companies with more challenged outlooks. We purchased Raia Drogasil, Brazil's largest pharmacy operator with about 2,500 stores in a fragmented industry. We believe an aging population and increasing demands for access to healthcare should continue to support secular growth. Raia has the potential to gain market share by expanding locations, widening product selection, and enhancing ecommerce penetration. Profitability should also improve thanks to the efficiency gains.

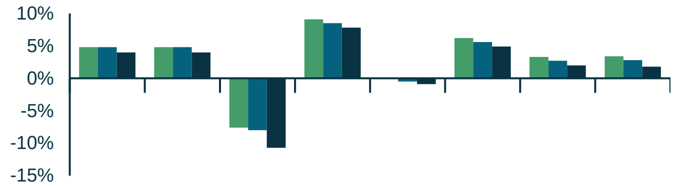
Another new purchase was Mercadolibre, which offers its customers and small businesses throughout Latin America a robust ecommerce platform for online shopping, payment processing, and advertising services. With broadening product assortment, an expanding logistics network, and a strong ecommerce ecosystem, we view Mercadolibre as a key beneficiary of Latin America's economic potential and rising digital penetration. The recent market sell-off provided a more attractive entry point for this fast-growing company with strong ESG momentum in areas such as financial inclusion and data security practices.

During the quarter, we sold PagSeguro in Brazil. Our conviction on the name declined with less earning visibility within a prolonged high interest rate environment. We also sold out of Credicorp, a bank holding in Peru. The stock's outperformance amid a worsening political environment and earnings headwind was a catalyst.

Portfolio Review

The Boston Common Emerging Markets strategy gained +4.8% before fees, outperforming the MSCI EM Index ("the Index"). Consumer Discretionary was the top contributor to outperformance, helped by Alibaba, whose recently announced corporate split should enhance shareholder value. BYD also rallied on continued EV market share gains in China. Stock selection in Industrials was another positive driver, as Taiwan's industrial automation company Airtac Int'l and China's leading engine manufacturer Weichai both benefited from recovering demand in China.

Performance



	QTD	YTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception*
Gross	4.8%	4.8%	-7.6%	9.1%	0.1%	6.2%	3.3%	3.4%
Net	4.8%	4.8%	-8.0%	8.5%	-0.5%	5.6%	2.7%	2.8%
MSCI EM	4.0%	4.0%	-10.7%	7.8%	-0.9%	4.9%	2.0%	1.8%

Annual Returns

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Gross	4.8%	-17.3%	-7.8%	24.0%	24.4%	-16.6%	44.5%	8.4%	-13.5%	-0.5%
Net	4.8%	-17.8%	-8.4%	23.2%	23.6%	-17.1%	43.5%	7.9%	-13.8%	-1.0%
MSCI EM	4.0%	-20.1%	-2.5%	18.3%	18.4%	-14.6%	37.3%	11.2%	-14.9%	-2.2%

Portfolio Characteristics

	Boston Common	MSCI Emerging Markets
# Holdings	52	1,378
Valuation		
Price/EPS (NTM)	13.7	13.8
Enterprise Value/EBITDA (NTM)	8.	8.1
Price/Book	1.9	1.9
Price/Sales	1.8	1.4
Dividend Yield	2.4%	2.7%
Growth		
3yr EPS Consensus Growth	12.2%	4.2%
3yr Sales Growth	8.7%	6.2%
Quality		
Beta**	1.01	1.00
LT Debt to Cap	23.%	20.4%
Net Debt to EBITDA	0.3	0.5
Return on Equity	11.0%	15.2%
Earnings Variability***	24.8%	29.9%
Free Cash Flow Yield	2.7%	4.3%

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

Portfolio Review (continued)

Stock selection in the Technology sector was the largest detractor from relative performance. Chinasoft Int'l declined on weak near-term revenue guidance, as management maintains its focus on profitability and cashflow management. Investor concerns around competitive pressures for India's Bharti Airtel weighed on the relative performance of the Communication Services sector. Healthcare was another drag on relative results. Brazilian healthcare provider Hapvida declined sharply on post-merger integration concerns.

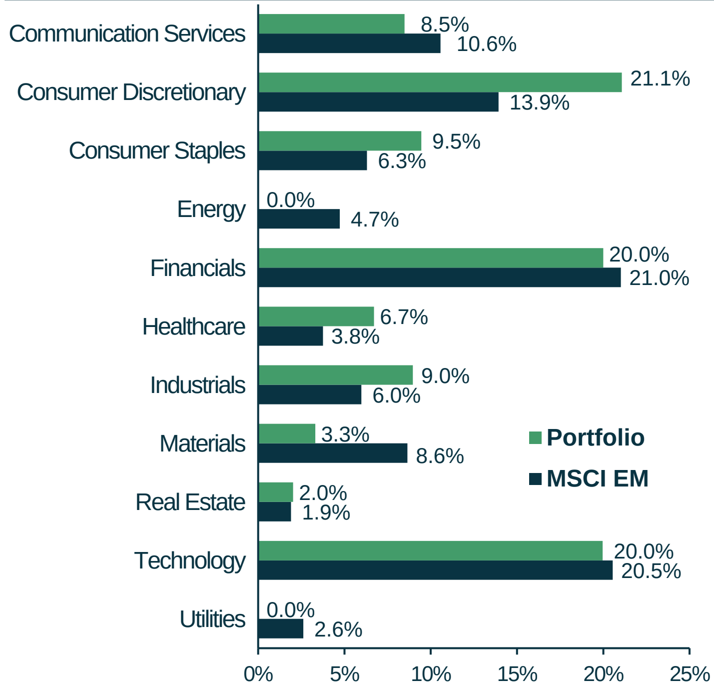
Taiwan, the largest country contributor, along with India and the Philippines, provided strong relative results in South and Southeast Asia. Korea was the largest country detractor, as slower-than-expected demand recovery in China impacted personal care company LG H&H.

Outlook & Positioning

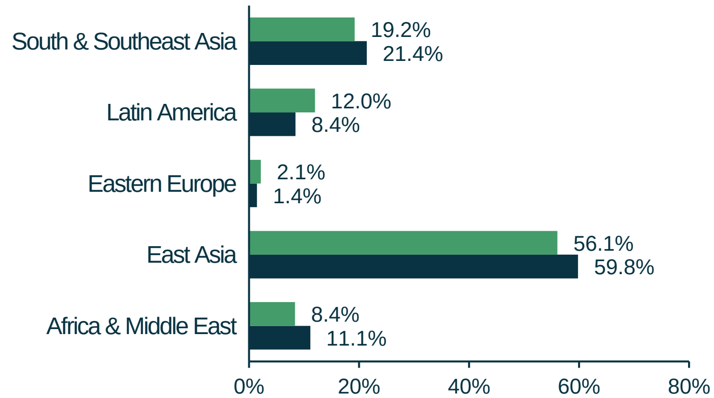
The rapid interest rate increases over the past year have unveiled vulnerabilities in the financial markets, as seen in the recent bank upheaval in the US and Europe. EM banks, while not immune, should be well positioned to weather the turmoil given their overall robust capitalization, better asset-liability matches, and long-term growth potential from their large unbanked populations. While financial stability in most Emerging Markets looks relatively sound, we are actively monitoring contagion risks to capital flows and growth. China's economic recovery should be a positive development, providing tailwinds for global growth and EM assets.

Steady improvement in China's service sector should drive the country's economic momentum, while green shoots in housing activity are important for consumer confidence and spending. South Korea and Taiwan are likely to slow further, as external demand weakens for their globally dominant tech industries. Domestic demand remains resilient in South and Southeast Asian economies, key beneficiaries of a recovering China. Given our more constructive outlook, we have further increased the allocation to Asia while reducing the EMEA overweight.

Sector Allocation



Sub-Regional Allocation



Top 10 Equity Holdings

Name	% Weight	Sector Name
TAIWAN SEMICONDUCTOR	6.7%	Technology
ALIBABA GROUP HLDG LTD	5.2%	Consumer Discretionary
SK HYNIX INC	4.5%	Technology
NASPERS	4.3%	Consumer Discretionary
HDFC BANK LTD	4.1%	Financials
DELTA ELECTRONIC	3.1%	Technology
PING AN INSURANCE	2.9%	Financials
BK RAKYAT	2.6%	Financials
KIMBERLY-CLARK MXC	2.5%	Consumer Staples
AIRTAC INTERNATION	2.5%	Industrials
Total	**38.4%**	