Quarterly Profile

Third Quarter, 2026

Boston Common Asset Management

Catholic Emerging Markets Equity

The Catholic Emerging Markets Equity portfolio is fully invested, diversified, and built through high-conviction, research-driven analysis. We invest in high-quality companies with durable business models and sound governance, combining fundamental and sustainability-informed research with active management and proactive stewardship. The strategy seeks to preserve capital in down markets and deliver competitive performance over a full cycle. The Catholic Emerging Markets portfolio's investment guidelines align with the US Conference of Catholic Bishops (USCCB) guidance.

Firm Overview

Boston Common Asset Management (BCAM) is an independent global equity investment firm focused on delivering competitive long-term returns across the U.S., developed international, and emerging markets. Since 2003, BCAM has combined proprietary research, disciplined portfolio construction, and active ownership with deep expertise in translating investor objectives and preferences into customized, values-aligned portfolios. The firm offers high-conviction fundamental equity strategies, custom direct indexation, and systematic, research-driven portfolios powered by its proprietary AMRIS platform. Headquartered in Boston, BCAM managed approximately $4.53 billion in assets as of September 30, 2026.

Fundamental Equity Investment Approach

BCAM focuses on identifying long-term opportunities in companies with strong business models, capable management teams, and durable growth prospects, supported by consistent valuation discipline. Portfolios are constructed to balance quality, risk, and diversification across sectors and regions. A collaborative process brings together portfolio managers, analysts, and sustainability specialists to develop differentiated views, while ongoing stewardship and direct company dialogue help reinforce conviction over time.

Portfolio Management Team

Liz Su, CFA
- 24 years experience
- Strategy PM since 2014

Matt Zalosh, CFA
- 30 years experience
- With BCAM since 2004

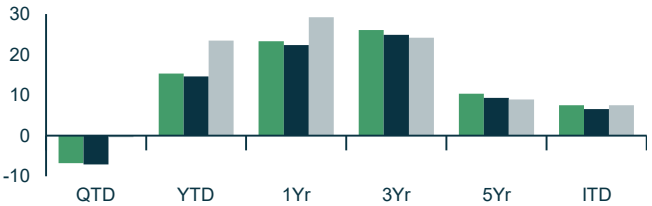
Praveen Abichandani, CFA
- 34 years experience
- With BCAM since 2005

Supported by:
- Full team of fundamental research analysts.
- Stewardship + sustainability research team.

Opportunity

Emerging markets offer differentiated opportunities as energy costs, monetary policy, and domestic demand diverge. AI investment continues to support growth across chip design, advanced packaging, power management, and networking. In China, we favor structural growth leaders while remaining cautious on consumption. Beyond East Asia, opportunities span India, Brazil, and South Africa, supported by financial deepening, industrial investment, and commodity advantages. We focus on high-quality businesses with durable competitive advantages and a margin of safety in valuation, using sustainability analysis to assess earnings durability and risk.

Performance (%)



	QTD	YTD	1Yr	3Yr	5Yr	ITD
Gross	-6.8	15.3	23.3	26.0	10.3	7.5
Net	-7.1	14.6	22.3	24.8	9.3	6.5
MSCI EM	-0.4	23.4	29.2	24.1	8.9	7.5

Annual Returns (%)

	2026	2025	2024	2023	2022	2021
Gross	15.3	41.9	12.3	8.5	-17.1	-8.5
Net	14.6	40.6	11.3	7.5	-17.9	-9.3
MSCI EM	23.4	33.6	7.5	9.8	-20.1	-2.5

Strategy Details

Benchmark	MSCI EM
Inception Date	January 1, 2021
Strategy Assets	$49 Million
Holdings Range	40-60
Tracking Error	3-6%
Annual Turnover	20-30%
Time Horizon	3-5 years
Vehicles	Separate Account, Commingled Fund

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

Portfolio Review

In the quarter, the representative account for the Boston Common Catholic Emerging Markets strategy returned -6.8% (gross of fees), significantly underperforming the Index. Stock selection, rather than sector or country allocation, drove the shortfall.

Information Technology was the largest detractor. We entered the quarter underweight Technology and Korea, but our AI supply-chain holdings fell hardest in the sell-off, including equipment maker Advanced Micro-Fabrication (China), networking supplier Accton Technology (Taiwan), and power-chip designer Silergy (Taiwan). Samsung Electro-Mechanics (Korea) and the TSMC (Taiwan) ADR, which lagged local shares relative to historical norms, also detracted. Favoring Samsung Electronics over SK Hynix (Korea) added value.

In Industrials, Sungrow (China) fell on U.S. restrictions on Chinese inverters, and battery maker CATL (China) de-rated as some EV customers diversified cell sourcing, despite continued share gains. HD Hyundai Electric (Korea) saw profit-taking after its 2026 order target was raised. In Financials, HDFC Bank (India) declined on CEO succession uncertainty, which eased after quarter-end when the Reserve Bank of India approved a new CEO. A lack of conventional Energy exposure and an underweight in Materials also weighed.

Lenovo (China) was the standout holding, rallying on an earnings beat and a strong AI server pipeline growth. Healthcare holdings Mindray (China) advanced on earnings..

Regionally, Taiwan, China, and Korea detracted most. Poland and Colombia contributed the most, with PKO Bank Polski and Grupo Cibest leading.

Top 10 Equity Holdings

Name	% Weight	Sector Name
TAIWAN SEMICONDUCTOR	14.9%	Technology
SAMSUNG ELECTRONICS	10.7%	Technology
HDFC BANK	4.2%	Financials
ALIBABA GROUP HOLDING	3.8%	Consumer Disc.
SK HYNIX	3.3%	Technology
DELTA ELECTRONICS	2.4%	Technology
ASE TECHNOLOGY HOLDING	2.4%	Technology
ACCTON TECHNOLOGY CORP.	2.3%	Technology
MEDIATEK INC.	2.2%	Technology
BANCOLOMBIA S A	2.0%	Financials
Total	**48.3%**	

Portfolio Trades

We initiated four positions this quarter, broadening the portfolio's exposure.

In Information Technology, MediaTek (Taiwan) is a fabless chip designer emerging as a leading challenger in custom AI chips, where we expect the ramp to drive operating leverage.

In Healthcare, Samsung Biologics (Korea) is a high-margin biologics contract manufacturer positioned to gain share as U.S. customers diversify away from Chinese suppliers under the BIOSECURE Act; recent order softness has brought its valuation below its historical average.

In Industrials, ICTSI (Philippines), one of the world's largest container port operators, has expanded margins through capacity additions, volume growth, and pricing, yet trades near its historical multiple. Bidvest (South Africa), a diversified business-services group, is lifting margins through its fast-growing international hygiene business, with strong cash conversion supporting bolt-on acquisitions.

We exited Samsung Electro-Mechanics (Korea) due to valuation concerns and our more cautious view of Korea. We also exited Sungrow (China) due to weaker earnings and U.S. regulatory risk. Finally, we sold Fibra Prologis (Mexico) on a weaker outlook.

Portfolio Characteristics

	Portfolio	MSCI Emerging Markets
# Holdings	47	1165
Valuation		
Price/EPS (NTM)	10.0	9.5
EV/EBITDA (NTM)	6.2	5.5
Price/Book	2.9	2.3
Price/Sales	2.0	1.9
Dividend Yield	1.8%	1.7%
Growth		
3yr EPS Consensus Growth	16.7%	21.7%
3yr Sales Growth	12.5%	10.6%
Quality		
Beta**	1.01	1.00
LT Debt to Cap	20.7%	16.8%
Net Debt to EBITDA	-0.3x	-0.1x
Return on Equity	18.2%	16.1%
Earnings Variability***	29.1%	32.5%
Free Cash Flow Yield	4.3%	3.8%

Source: Ridgeline. 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 discussed in this report will remain in an account's portfolio at the time you receive this document. The securities discussed do not represent an account's entire portfolio and may represent only a small portion of an account's holdings. It should not be assumed that any securities transactions we discuss were or will prove to be profitable. This product invests in foreign securities, which are subject to special currency, political and economic risks The composition of our composite is different from the composition of indices because of differences in sector and industry exposure, risk, volatility and holdings. The MSCI Emerging Markets (or "EM") Index is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance in the global emerging markets. The EM Index covers many emerging market country indices. Designation as an emerging market is determined by a number of factors. MSCI evaluates factors such as gross national income per capita; market depth and liquidity; local government regulations; perceived investment risk; foreign ownership limits and capital controls; and the general perception by the investment community when determining an "emerging" classification of a market.

Outlook & Positioning

Q3 reinforced our view that EM offers distinct opportunities. Higher developed-market rates tighten global financial conditions, while rising energy prices weigh more on Asia's commodity importers. Divergent monetary policies, domestic demand, and earnings growth make selectivity essential.

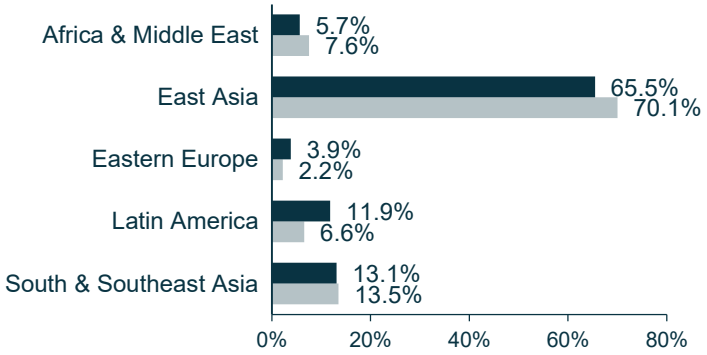
Tech accounts for over 40% of the Index, reflecting EM's shift from low-cost manufacturing and commodities toward technology and innovation. With AI hardware demand outstripping supply, we expect investment to continue in 2027. We are slightly underweight Tech, favoring diversified exposure to advanced packaging, chip design, power management, and networking over the largest semiconductor names.

China remains a two-track economy: resilient industry and exports contrast with weakening consumption and property. Electrification and supply chain diversification reduce exposure to higher oil prices vs. many Asian peers. We favor structural growth leaders and remain cautious on consumers.

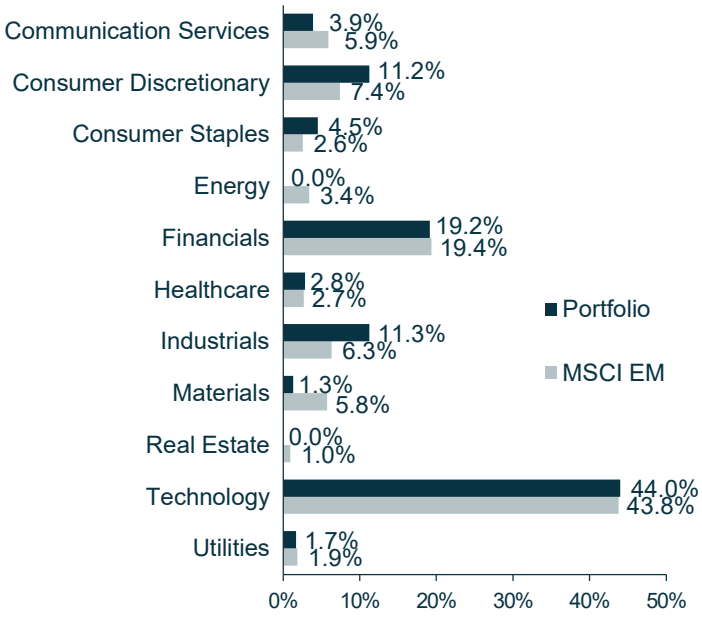
India, Brazil, and South Africa offer opportunities amid rising consumption, financial deepening, industrial investment, and commodity advantages. India's Reserve Bank raised rates in October, but healthy earnings and improved relative valuations support selective additions. El Niño could raise food prices across Asia. LatAm is our preferred diversifier: Brazil offers high real rates, net energy exports, and attractive valuations. Flávio Bolsonaro's party became Congress's largest ahead of the presidential runoff, which will shape fiscal policy. In South Africa, a lower inflation target anchors expectations, and power supply has stabilized.

We reduced Korea and selectively added to China and South Africa, and maintained our Brazil overweight. We increased Healthcare, cut Staples, and diversified Industrials and Technology beyond concentrated AI exposure.

Sub-Regional Allocation

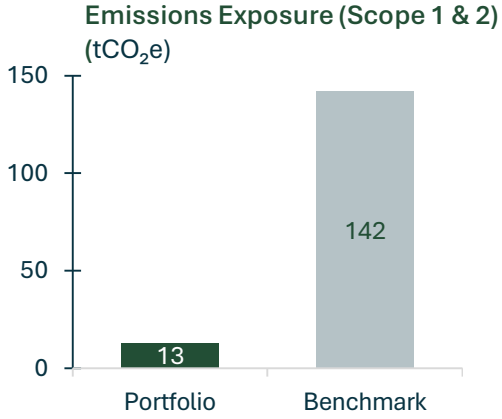


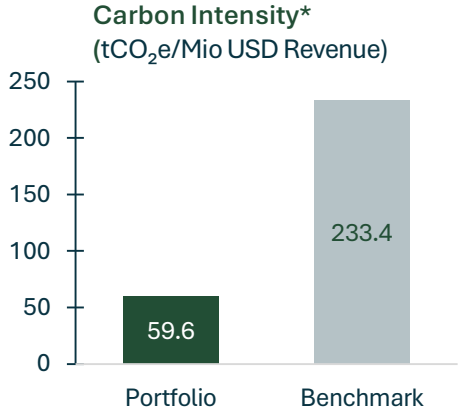
Sector Allocation



Source: Ridgeline

Portfolio Carbon Footprint [1]





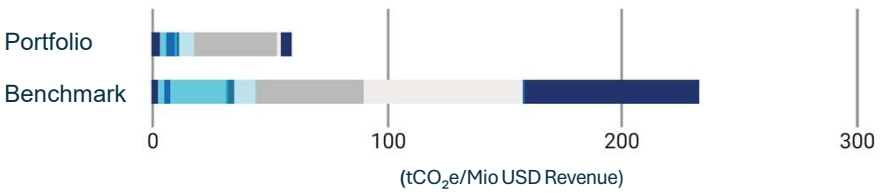
Catholic Emerging Markets Equity vs MSCI Emerging Markets

90.8% fewer emissions

74.4% less Carbon Intensive*

*Weighted Average

Weighted Avg Greenhouse Gas Intensity by Sector



[1]Data Source: ISS ESG Climate Impact Assessment. *ISS Climate Impact Assessment defines portfolio the carbon footprint using the position ownership ratio, which is the aggregated weight per position in the portfolio calculated by aggregated position value divided by the total analysis value. The resulting aggregated position value is then divided by the Market Cap or AEV (Adjusted Enterprise Value, defined as "total debt plus market capitalization). A portfolio's Carbon Intensity is achieved by calculating the carbon intensity (Scope 1 + 2 Emissions / $M Sales) for each portfolio company and calculating the weighted average by portfolio weight—all data as of reporting date: September 30, 2026. ISS is an independent company owned by entities affiliated with Genstar Capital ("Genstar"). The information in this document should not be considered a recommendation to buy or sell any security.

Sustainable Benefit Category Exposure as a % of Equity

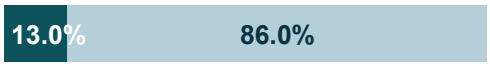
Company Spotlight

mindray — Access to Health

Shenzhen Mindray (300760) ¥161.32 as of Sep. 30, 2026

- **Access to Healthcare**: Manufactures patient monitoring, life-support, diagnostic testing, and medical imaging equipment.
- **Essential Medical Technology**: Products support diagnosis, vital-sign monitoring, and critical care.
- **Product Innovation**: Integrated hospital systems and AI-enabled tech aim to improve clinical workflows and support care delivery.
- **Customer Economics**: Emphasizes accessible technology and competitive ownership costs, helping healthcare providers invest in care capabilities.

Portfolio Total:



Companies deriving >50% of revenue from benefit category

Companies deriving material but <50% of revenue from benefit category

Fundamental Equity Investment Strategies

- ✓ Active management
- ✓ Comprehensive sustainability analysis and integration.
- ✓ Active ownership prioritizing shareholder engagement

Customized Solutions Available

Strategy	Benchmark	AUM	Inception Date	Vehicle Options
All Country International	MSCI ACWIxUS	$264 M	Jan-2011	Separate Account, Commingled Fund, ADR, Model Delivery
Emerging Markets*	MSCI EM	$1.36 B	Jan-2013	Separate Account, Commingled & Mutual Fund
Global	MSCI ACWI	$686 M	Apr-2008	Separate Account, Model Delivery, Mutual Fund**
International*	MSCI EAFE	$906 M	Jan-2005	Separate Account, Commingled & Mutual Fund, ADR, Model Delivery
US Core	S&P 500	$740 M†	Jan-2003	Separate Account, Mutual Fund
US Value	Russell 1000 Value	$536 M†	Jan-2003	Separate Account

*Includes faith-based assets. **Subadvised by Boston Common. †Includes balanced assets.

As of September 30, 2026. All investments involve risk, including the risk of losing principal. 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. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.