

Portfolio Activity

Among our transactions this quarter, we purchased two Japanese stocks (Kurita Water and Sony), as we are encouraged by the Japanese market's improving corporate governance and low valuations. Kurita is a leading provider of equipment and chemicals to produce ultrapure water, reclaim wastewater, and enable optimal efficiency for technology and industrial customers. In our view, Kurita's products and services should see greater demand and pricing power over time with wider appreciation of water scarcity, and the stock looks compelling, trading at 10x EBITDA. Sony's video gaming, music, and image sensor businesses form the core of an attractive growth profile. The company's PlayStation franchise is in the midst of a new hardware cycle as its platform benefits from digitalization. The consolidated music industry offers long-term asset value as well as expansion from streaming services. Sony's environmental management is based on life cycle assessments and women account for 33% of board members, very high for a Japanese company. In addition to these Japanese stocks, we purchased LG Chem, a Korean chemical company that is a leading supplier of electric vehicle batteries. The company is demonstrating improving governance with a plan to spin out its energy storage business from its other chemical operations.

During the quarter, we sold Japanese convenience store operator Sundrug, our conviction level having diminished that a catalyst could enhance its mature franchise. We also sold French industrial gas supplier Air Liquide, as its valuation reached levels that looked out of line with its financial profile.

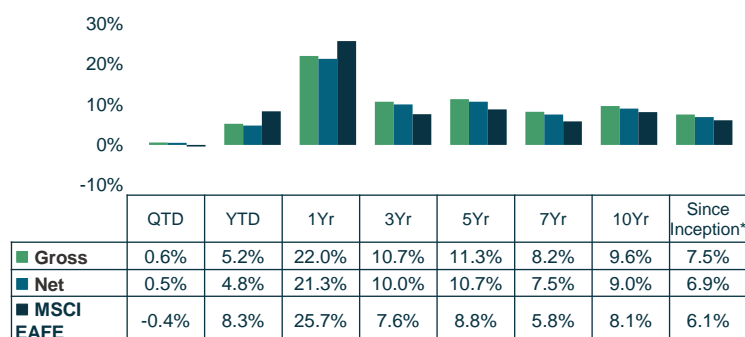
Portfolio Review

Boston Common's Catholic International strategy returned +0.6% before fees, modestly outperforming the MSCI EAFE Index ("the Index"). Strong stock selection in the Financials sector was the largest contributor to performance. Higher interest rates, stable credit quality, and rising capital markets improved earnings prospects for European bank and insurance providers ING, AXA, and Sampo as well as Japanese and Australian diversified finance groups Orix and Macquarie. In the Materials sector, our specialty chemical holdings, most notably natural ingredient supplier Croda, outperformed the metal and mining companies in the Index. Stock selection in the Healthcare and Industrials sector also helped relative results, led by Japanese glass specialist Hoya, job search leader Recruit, and air conditioning manufacturer Daikin. Unsurprisingly, Japan was our top regional performer, with Shimano (bike parts) and Yamaha (musical instruments) rounding out our top ten contributors.

Stock selection in the Technology sector was the largest detractor from relative performance. French payments provider

Worldline and Japanese electronic component supplier TDK declined on disappointing financial results. Our underweight of the top-performing Energy sector was the next largest negative factor. From a regional perspective, Emerging Markets was the top drag on performance. Ecommerce giant Alibaba and South African internet holding company Naspers were pressured by China's rollout of an array of business restrictions. Consumer Staples holdings faced headwinds and were among the bottom performers: Unilever and Shiseido. German forklift and warehouse automation provider Kion and sportswear company adidas were also among the top detractors along with healthcare conglomerate Philips.

Performance



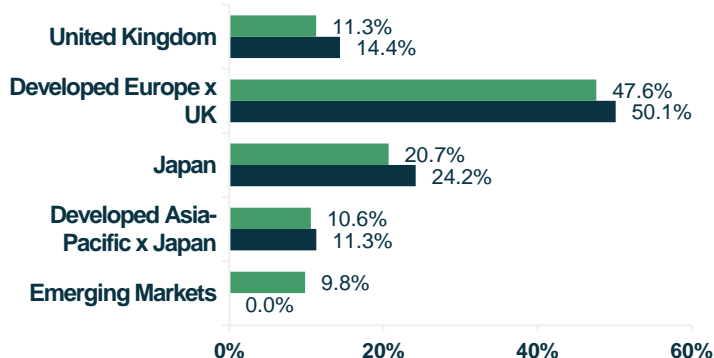
Annual Returns

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Gross	5.2%	19.1%	25.1%	-13.0%	29.8%	0.8%	-0.8%	-5.2%	22.2%	15.9%
Net	4.8%	18.3%	24.4%	-13.6%	29.0%	0.1%	-1.4%	-5.8%	21.5%	15.2%
MSCI EAFE	8.3%	7.8%	22.0%	-13.8%	25.0%	1.0%	-0.8%	-4.9%	22.8%	17.3%

Portfolio Characteristics

	Boston Common	MSCI EAFE
# Holdings	63	845
Valuation		
Price/EPS (NTM)	18.0	15.8
Enterprise Value/EBITDA (NTM)	12.1	10.7
Price/Book	2.3	2.1
Price/Sales	2.0	1.6
Dividend Yield	1.8%	2.2%
Growth		
3yr EPS Consensus Growth	12.3%	12.0%
3yr Sales Growth	6.2%	5.2%
Quality		
Beta**	0.94	1.00
LT Debt to Cap.	31.2%	32.1%
Net Debt to EBITDA	1.9	1.9
Return on Equity	11.7%	13.9%
Earnings Variability***	19.2%	25.0%
Free Cash Flow Yield	4.4%	5.1%

Regional Allocation



Portfolio Activity

Closed	Sector	% of Port.
AIR LIQUIDE(L')	Materials	1.2%
BANK RAKYAT INDONESIA RIGHTS	Financials	0.0%
SUNDRUG CO LTD	Consumer Staples	0.7%
Total Closed		1.9%

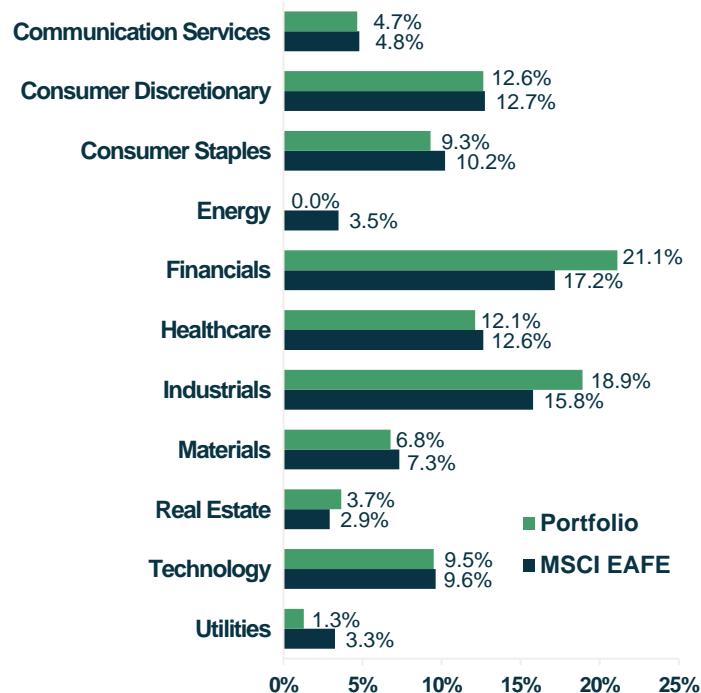
New	Sector	% of Port.
BANK RAKYAT INDONESIA RIGHTS	Financials	0.0%
KURITA WATER INDUSTRIES LT	Industrials	1.1%
LG CHEMICAL	Materials	1.2%
SONY GROUP CORP	Consumer Discretionary	1.5%
Total New		3.8%

Contributors & Detractors

Top 10	% of		Relative Contrib.	Sector
	Capital	Return		
SHIMANO INC	2.0%	24.3%	0.44%	Consumer Discretionary
HOYA CORP	2.4%	18.4%	0.43%	Healthcare
ORIX CORP	2.7%	13.9%	0.37%	Financials
ING GROEP N.V.	3.1%	10.3%	0.33%	Financials
RECRUIT HLDGS CO L	1.5%	24.4%	0.32%	Industrials
AXA	3.1%	10.1%	0.32%	Financials
DAIKIN INDUSTRIES	1.9%	18.0%	0.29%	Industrials
YAMAHA CORP	1.7%	16.8%	0.27%	Consumer Discretionary
SAMPO	2.9%	8.1%	0.26%	Financials
MACQUARIE GP LTD	2.1%	11.5%	0.24%	Financials
			3.27%	

Bottom 10	% of Capital	Return	Relative Contrib.	Sector
ALIBABA GROUP HLDG LTD	1.0%	-34.7%	-0.45%	Consumer Discretionary
ADIDAS	2.2%	-15.4%	-0.34%	Consumer Discretionary
NASPERS	1.1%	-20.9%	-0.27%	Consumer Discretionary
WORLDLINE SA	1.3%	-18.3%	-0.23%	Technology
KION GROUP	1.5%	-12.1%	-0.18%	Industrials
KONINKLIJKE PHILIP	1.5%	-10.3%	-0.16%	Healthcare
SHISEIDO CO LTD	1.6%	-8.4%	-0.14%	Consumer Staples
UNILEVER	2.1%	-6.8%	-0.14%	Consumer Staples
TDK CORP	1.5%	-10.0%	-0.14%	Technology
VOLVO AB B	1.5%	-7.6%	-0.12%	Industrials
			-2.16%	

Sector Allocation



Shareowner Engagement Highlights

Boston Common announced the [launch of a new mutual fund](#) vehicle for our Emerging Markets strategy, providing investors another avenue of access to a diversified portfolio of EM companies with sound governance and sustainable business models.

Out of over 4,000 Certified B Corps, Boston Common was named [Best for the World 2021](#), placing us among the top 5% of B Corps in the Clients impact area.

Refrigerants engagement

Boston Common engaged holdings that manufacture refrigeration and air conditioning appliances. Dialogues focused on global warming potential (GWP) product disclosure, transition to low GWP refrigerants, circularity, and emissions reductions targets & collaborative platforms.

Climate change & inclusive finance with banks

We are engaging insurers Axa and Ping An on integrating climate risk in underwriting and investment portfolios.

Strategy Vehicle Options

Separate Account, Commingled Fund, Model/ADR

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