

International Strategy Update

Third Quarter, 2021



Portfolio Activity

Among our transactions this quarter, we purchased three Japanese stocks (Kurita Water, Sony, and Eisai), 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. Eisai is a leader in Alzheimer's disease drug development, an area of massive unmet medical need. The company's innovative pipeline is complemented by a diverse set of commercial products with a focus on oncology drugs. 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 and British pharmaceutical company GSK. In both cases, our conviction level diminished that a catalyst could enhance their mature franchises. We also sold French industrial gas supplier Air Liquide, as its valuation reached levels that looked out of line with its financial profile.

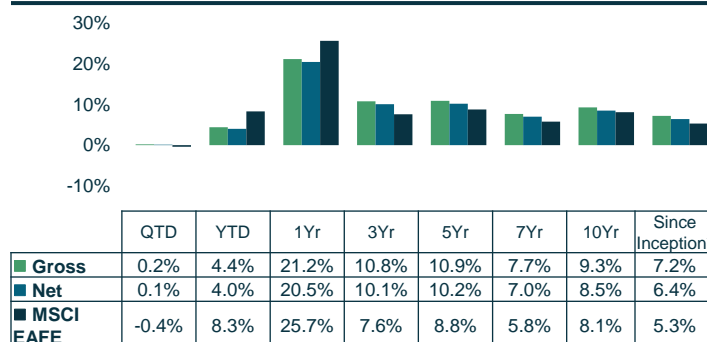
Portfolio Review

A composite of Boston Common's International portfolios returned +0.2% 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 and AXA 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 Industrials sector also helped relative results, led by Japanese job search leader Recruit and air conditioning manufacturer Daikin. Japan was our top regional performer with Hoya (medical/technology), 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. Healthcare and Consumer Staples holdings faced headwinds and were among the bottom performers: Philips, Novartis, Unilever, and Shiseido. German forklift and warehouse automation provider Kion and sportswear company adidas were also among the top detractors.

Performance



Annual Returns

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Gross	4.4%	19.6%	25.2%	-12.9%	27.5%	0.3%	-1.0%	-5.3%	23.2%	15.2%
Net	4.0%	18.8%	24.4%	-13.5%	26.6%	-0.5%	-1.7%	-5.9%	22.3%	14.3%
MSCI EAFE	8.3%	7.8%	22.0%	-13.8%	25.0%	1.0%	-0.8%	-4.9%	22.8%	17.3%

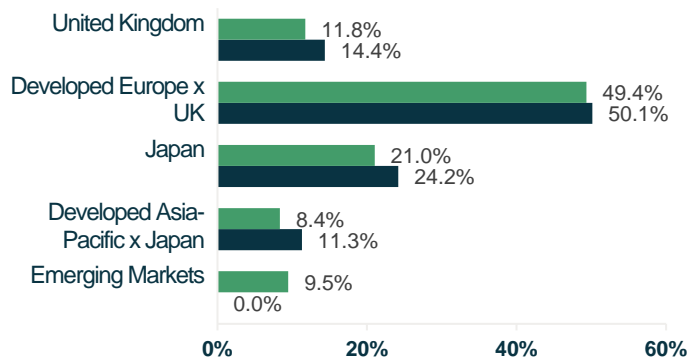
Portfolio Characteristics

	Boston Common	MSCI EAFE
# Holdings	59	845
Valuation		
Price/EPS (NTM)	17.8	15.8
Enterprise Value/EBITDA (NTM)	12.2	10.7
Price/Book	2.4	2.1
Price/Sales	2.0	1.6
Dividend Yield	1.8%	2.2%
Growth		
3yr EPS Consensus Growth	13.7%	12.0%
3yr Sales Growth	6.5%	5.2%
Quality		
Beta**	0.93	1.00
LT Debt to Cap	30.4%	32.1%
Net Debt to EBITDA	1.6	1.9
Return on Equity	11.1%	13.9%
Earnings Variability***	19.5%	25.0%
Free Cash Flow Yield	4.3%	5.1%

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, 2004 **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



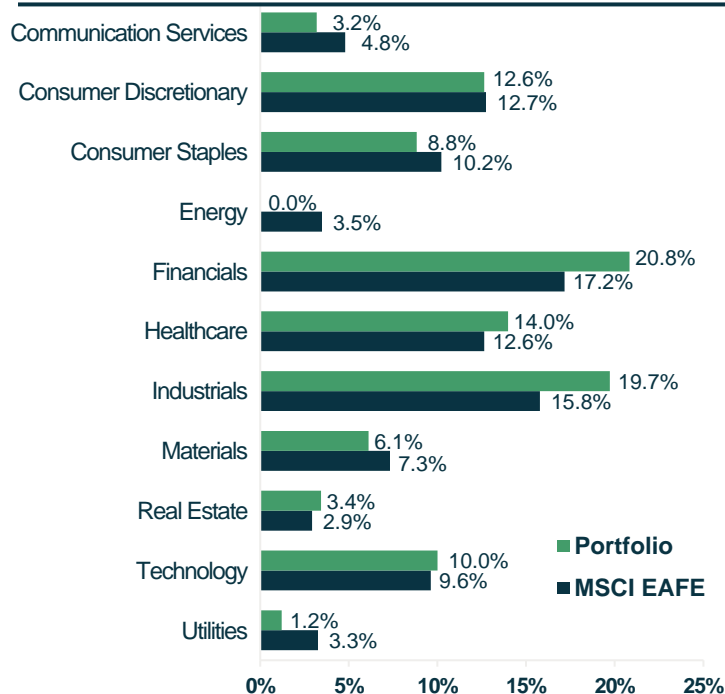
Portfolio Activity

Closed	Sector	% of Port.
AIR LIQUIDE(L')	Materials	1.3%
BANK RAKYAT INDONESIA RIGHTS	Financials	0.0%
GLAXOSMITHKLINE PLC	Healthcare	1.4%
SUNDRUG CO LTD	Consumer Staples	1.0%
Total Closed		3.7%
New	Sector	% of Port.
BANK RAKYAT INDONESIA RIGHTS	Financials	0.0%
EISAI CO., LTD	Healthcare	1.1%
KURITA WATER INDUSTRIES LT	Industrials	1.0%
LG CHEMICAL	Materials	1.5%
SONY GROUP CORP	Consumer Discretionary	1.5%
Total New		5.0%

Contributors & Detractors

Top 10	% of Capital	Return	Relative Contrib.	Sector
HOYA CORP	2.6%	18.3%	0.45%	Healthcare
SHIMANO INC	2.0%	24.3%	0.41%	Consumer Discretionary
RECRUIT HLDGS CO L	1.6%	24.5%	0.36%	Industrials
ORIX CORP	2.6%	14.0%	0.35%	Financials
ING GROEP N.V.	3.3%	10.3%	0.35%	Financials
NOVO NORDISK A/S	2.2%	16.1%	0.32%	Healthcare
DAIKIN INDUSTRIES	2.0%	18.0%	0.30%	Industrials
AXA	3.0%	10.1%	0.30%	Financials
YAMAHA CORP	1.7%	16.7%	0.26%	Consumer Discretionary
MACQUARIE GP LTD	2.0%	11.5%	0.23%	Financials
			3.32%	
Bottom 10				
ALIBABA GROUP HLDG LTD	1.0%	-34.7%	-0.43%	Consumer Discretionary
ADIDAS	2.2%	-15.4%	-0.34%	Consumer Discretionary
NASPERS	1.1%	-21.1%	-0.26%	Consumer Discretionary
WORLDLINE SA	1.2%	-18.3%	-0.23%	Technology
KION GROUP	1.6%	-12.1%	-0.18%	Industrials
KONINKLIJKE PHILIP	1.5%	-10.3%	-0.17%	Healthcare
TDK CORP	1.5%	-9.8%	-0.16%	Technology
UNILEVER	2.3%	-6.8%	-0.15%	Consumer Staples
SHISEIDO CO LTD	1.7%	-8.3%	-0.15%	Consumer Staples
NOVARTIS	1.6%	-9.7%	-0.15%	Healthcare
			-2.22%	

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, 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) EAFE Index is a free-float adjusted market capitalization index that is designed to measure developed market equity performance in developed markets as determined by MSCI, excluding the U.S. and Canada. The Index's performance results are presented net of estimated foreign withholding taxes on dividends, interest and capital gains. 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 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.