



Asia ESG Strategy

December 31, 2021

Key Features

- Unconstrained strategy focused on companies that make a positive environmental, social and economic impact in Asia ex-Japan.
- Deep bottom-up fundamental approach with bias toward mid- and small-capitalization companies whose ESG qualities are less appreciated.
- Seeks to generate attractive long-term risk-adjusted returns by investing in well-governed companies.

KEY FACTS

Inception Date

05/01/2015

Benchmark

MSCI All Country Asia ex Japan Index

Assets Under Management

\$126.9 million

Performance and Risk Metrics (Since Inception)

Excess Return (Gross of Fees)	6.31%
Active Risk (Tracking Error)	8.99%
Information Ratio	0.70
Sharpe Ratio	0.69
Upside Capture	88.85%
Downside Capture	64.27%
Beta	0.87

Note: Data is relative to the benchmark.

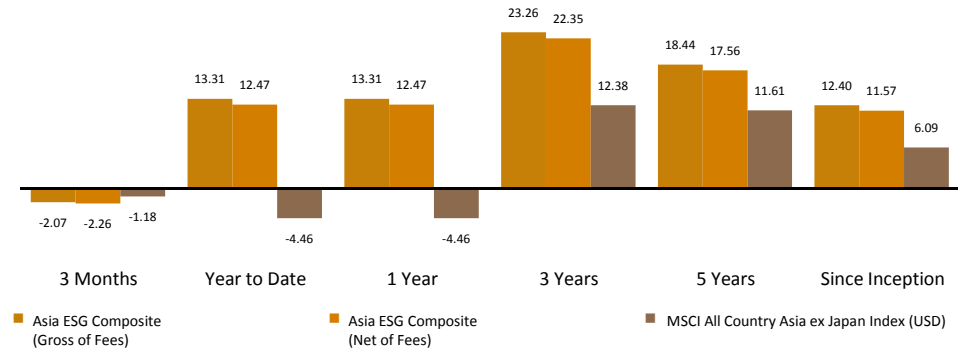
Source: Zephyr StyleADVISOR

PORTFOLIO MANAGEMENT



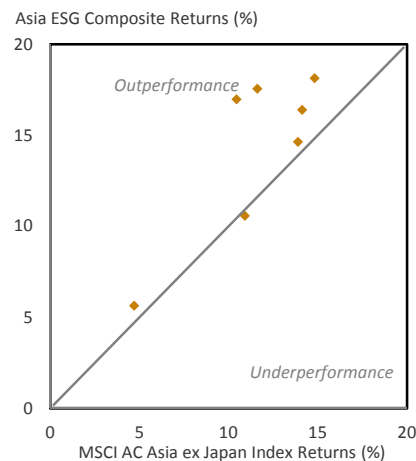
Vivek Tanneeru
Lead Portfolio Manager
Languages spoken:
Telegu, Hindi
Years of investment
experience: 16

PERFORMANCE (%) AS OF DECEMBER 31, 2021¹



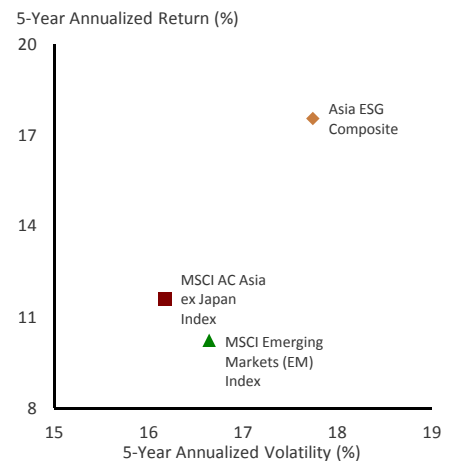
Source: Matthews Asia

ROLLING FIVE-YEAR NET RETURNS^{1,2}



Source: Matthews Asia, Zephyr StyleADVISOR

NET RETURN VS VOLATILITY¹



¹ All returns over 1 year are annualized.

² Rolling, annualized five-year returns are calculated from monthly returns. Chart displays quarterly figures for the past five years, or, if five years of data is not available, beginning with the first quarter five-year data was available.

Returns reflect the reinvestment of dividends, interest and other income, and the deduction of all trading expenses. Gross returns do not reflect the deduction of investment advisory fees or any other expenses that may be incurred in the management of the account. Performance is presented in US Dollars. This information is unaudited and is subject to change. Each client account is individually managed; actual performance will vary for each client and there is no guarantee that a particular client's account will have the same performance as described in this document. **Performance quoted represents past performance and is no guarantee of future results. Individual account performance will vary. Current and future performance may be significantly different.** Indexes are unmanaged and it is not possible to invest directly in an index. Please see the notes section for other important information.

The MSCI All Country Asia ex Japan Index is a free float—adjusted market capitalization—weighted index of the stock of markets of China, Hong Kong, India, Indonesia, Malaysia, Pakistan, Philippines, Singapore, South Korea, Taiwan and Thailand. Index is for comparative purposes only and it is not possible to invest directly in an index.

Key Risks

All investments involve risk, including possible loss of principal. Investing in international, emerging and frontier markets may involve additional risks, such as social and political instability, market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation. Additionally, investing in emerging and frontier securities involves greater risks than investing in securities of developed markets, as issuers in these countries generally disclose less financial and other information publicly or restrict access to certain information from review by non-domestic authorities. Emerging and frontier markets tend to have less stringent and less uniform accounting, auditing and financial reporting standards, limited regulatory or governmental oversight, and limited investor protection or rights to take action against issuers, resulting in potential material risks to investors. Pandemics and other public health emergencies can result in market volatility and disruption.



Matthews Asia

Asia ESG Strategy

TOP TEN HOLDINGS^{3,*}

	Country	% of Net Assets
Hong Kong Exchanges & Clearing, Ltd.	China/Hong Kong	6.7
Samsung SDI Co., Ltd., Pfd.	South Korea	6.5
Shriram City Union Finance, Ltd.	India	5.5
JD Health International, Inc.	China/Hong Kong	5.0
Bandhan Bank, Ltd.	India	4.5
Legend Biotech Corp.	United States	3.8
Full Truck Alliance Co., Ltd.	China/Hong Kong	3.5
China Conch Venture Holdings, Ltd.	China/Hong Kong	3.2
Ecopro BM Co., Ltd.	South Korea	3.1
Ginlong Technologies Co., Ltd.	China/Hong Kong	2.9

% OF ASSETS IN TOP TEN **44.7**

Source: BNY Mellon Investment Servicing, Matthews Asia

COUNTRY ALLOCATIONS (%)^{4,*}

	Strategy	Benchmark	Underweight / Overweight
China/Hong Kong	36.4	44.1	
India	24.7	14.2	
South Korea	12.0	14.6	
Taiwan	9.0	18.1	
United States	6.5	0.0	
Indonesia	3.8	1.7	
Bangladesh	3.3	0.0	
Vietnam	1.9	0.0	
Singapore	1.4	3.0	
Japan	1.4	0.0	
Thailand	0.0	1.9	
Malaysia	0.0	1.6	
Philippines	0.0	0.8	
Liab in Excess of Cash & Other Assets	-0.4	0.0	

Sources: FactSet Research Systems, Inc., Matthews Asia

SECTOR ALLOCATIONS (%)^{4,6,*}

	Strategy	Benchmark	Underweight / Overweight
Industrials	22.9	6.3	
Information Technology	21.8	25.9	
Financials	21.0	18.6	
Consumer Discretionary	15.2	14.6	
Health Care	8.7	4.4	
Real Estate	6.4	3.7	
Communication Services	2.5	10.5	
Consumer Staples	1.9	5.0	
Materials	0.0	5.2	
Energy	0.0	2.9	
Utilities	0.0	2.8	
Liab in Excess of Cash & Other Assets	-0.4	0.0	

Sources: FactSet Research Systems, Inc., Matthews Asia

MARKET CAP EXPOSURE (%)^{4,5,*}

	Strategy	Benchmark	Underweight / Overweight
Mega Cap (over \$25B)	26.5	63.1	
Large Cap (\$10B-\$25B)	6.3	21.1	
Mid Cap (\$3B-\$10B)	36.4	14.7	
Small Cap (under \$3B)	31.2	1.1	
Liab in Excess of Cash & Other Assets	-0.4	0.0	

Sources: FactSet Research Systems, Inc., Matthews Asia

³ Holdings may combine more than one security from the same issuer and related depositary receipts.

⁴ Percentage values in data are rounded to the nearest tenth of one percent; the values may not sum to 100% due to rounding.

⁵ Equity market cap of issuer.

⁶ Sector data based on MSCI's revised Global Industry Classification Standards. For more details, visit www.msci.com.

⁷ The P/E figures represent the weighted Harmonic Average P/E—which measures the price/earnings ratio of the entire portfolio, excluding negative earners—weighted by the size of the company's position within the portfolio. P/E estimates are forward looking. There is no guarantee that portfolio composition will remain unchanged or P/E estimates will be realized.

⁸ The Dividend Yield (trailing) for the portfolio is the weighted average sum of the dividends paid by each equity security held by the portfolio over the last 12 months divided by the current price as of report date. The annualized dividend yield for the portfolio is for the equity-only portion of the portfolio.

PORTFOLIO STATISTICS & CHARACTERISTICS*

	Strategy	Benchmark
Total # of Positions	46	
Portfolio Turnover**	84.6%	
Weighted Avg Market Cap	\$24.1 billion	
Active Share	95.8	
Price/Earnings (Fwd) ⁷	23.0	14.7
Price/Cash Flow	21.2	9.7
Dividend Yield ⁸	0.8%	2.0%
Standard Deviation	16.8%	16.5%
ROE	5.6	

**The lesser of last fiscal year long-term purchase costs or sales proceeds divided by the average monthly market value of long-term securities.

Sources: FactSet Research Systems, Inc., Zephyr StyleADVISOR, Matthews Asia

NOTES

*Portfolio characteristics shown are for a representative portfolio for the Asia ESG Composite. Representative portfolio information is supplemental to the GIPS compliant presentation for the Asia ESG Composite as concurrently or previously provided. This representative portfolio represents the approximate diversification of the Asia ESG Composite as of December 31, 2021 and is subject to change. Each client account is individually managed; actual holdings will vary for each client and there is no guarantee that a particular client's account will have the same characteristics as described in this document. Information provided is unaudited.

Portfolio characteristics and holdings may vary from time to time from what is shown. It should not be assumed that any investment in the securities listed was or will be profitable. Portfolio returns are net of all foreign non-reclaimable withholding taxes. Reclaimable withholding taxes are recognized if and when received. Net returns are net of model investment advisory fees and are calculated by subtracting 1/12 of the highest management fee in effect for the respective period from the monthly gross composite return. The management fee schedule currently in effect is as follows: 0.75% on all assets.

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The MSCI Emerging Markets Index is a free float-adjusted market capitalization- weighted index of the stock markets of Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, South Korea, Taiwan, Thailand, Turkey and United Arab Emirates. Index is for comparative purposes only it is not possible to invest directly in an index.

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