



Article 10 (SFDR) Website disclosure for an article 8 fund

Emerging Markets ex China Equity Fund

Product name: Emerging Markets ex China Equity Fund

Legal entity identifier: TBC

Does this financial product have a sustainable investment objective?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: __% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: __%	<input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments



A. No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective a sustainable investment.



B. Environmental or social characteristics of the financial product

What are the environmental or social characteristics promoted by this financial product?

The characteristics promoted by this fund include sound corporate governance and a commitment to have a Carbon intensity profile lower than the Index. This fund invests in companies with strong commitment to reducing their ecological footprint as well as companies with little involvement in fossil fuel exploitation. Additionally, the fund intends to invest in companies that take steps to mitigate climate change.

Furthermore, the fund uses both activity- and norm-based exclusions, further detailed in the investment strategy below.



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The primary benchmark index is the MSCI Emerging Markets ex China Index and is indicated for performance comparison only. This Index does not take into account the ESG characteristics promoted by the fund, which are intended to be achieved by the investment process followed by the Investment Manager. As such this Index does not qualify as a reference benchmark under SFDR. A description of the Index methodology can be found on the website of the index provider: Index methodology - MSCI

What sustainability indicators are used to measure the attainment of the environmental or social characteristics promoted by this financial product?

The sustainability indicators used to measure the attainment of the environmental and social (“E&S”) characteristics promoted are the following:

1. The aggregated Carbon intensity of the fund and the Carbon intensity of the Index.
2. The share of investee companies having a lower Carbon intensity than the Index.
3. The share of investments having a significant exposure to the fossil fuel sector.
4. The share of investments being EU Taxonomy eligible.
5. The share of investments having exposure to, or ties with the sectors described in the Activity-based exclusion list.
6. The share of investments in companies that are in severe breach of any of the ten principles of the UN Global Compact.

Does this financial product take into account principal adverse impacts on sustainability factors?

Yes

The Investment Manager commits to report at least annually on the indicators considered and on the actions taken. The focus will be made on indicators considered by the Investment Manager as relevant/material.

At the moment, the Investment Manager reviews and monitors the following Principal Adverse Indicators on a quarterly basis :

- GHG emissions (Scope 1, 2, 3 and total)
- Carbon footprint
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Share of non-renewable energy consumption and production
- Energy consumption intensity per high impact climate sector
- Activities negatively affecting biodiversity sensitive areas
- Emissions to water
- Hazardous waste ratio
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Unadjusted gender pay gap
- Board gender diversity
- Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)
- Carbon reduction initiatives
- Cases of insufficient action taken to address breaches of standards of anti-corruption and



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bribery

Additional indicators may be considered over time, and the full list of indicators considered will be made available at : <https://global.matthewsasia.com/siteassets/resources/fund-documents/sfdr-article-10-emerging-markets-ex-china-equity-fund.pdf>.

The Investment Manager aims at mitigating the adverse impacts of its investment decision on sustainability factors by engaging with the investee companies. The Investment Manager engages with portfolio companies where there is room for improvement on relevant PAIs, depending on the industry in which the investee operates. The results of the engagement strategy will be provided annually in the Principal Adverse Impact Report.

Investors' attention is drawn to the fact that data gathering in emerging markets remains a challenge. Therefore, in the absence of data, the Investment Manager may rely on modeled/estimated data, which may not fully reflect the reality.

More information on principal adverse impacts on sustainability factor sis available in the periodic reporting pursuant to Article 11(2) of the SFDR.

No



C. Investment strategy

What investment strategy does this financial product follow?

Investee companies are selected by the fund in accordance with the following process:

1. By utilizing issuer disclosures and third-party research, the Investment Manager understands an issuer's impact on society and the environment, its management of human capital, its use of natural resources, etc., as well as its compliance with international, national, or local regulations;
2. Screening out the companies with poor governance practices and controversial behaviour and controversial products based on the Investment Manager's exclusion policy detailed below and by selecting companies with strong commitment to reducing their ecological footprint (scope 1 and 2 carbon emissions within the meaning of point (1)(e) of Annex III of Regulation (EU) 2016/1011) as well as companies that engage in EU taxonomy eligible activities and anticipates a future alignment but the lack of data disclosure by the investee companies presents a challenge. Examples of EU Taxonomy eligible activities include electric vehicle manufacturers, EV chipmakers, EV battery manufacturers, and battery equipment manufacturers so as to reduce carbon emissions, increase energy efficiency, and contribute to the circular economy.
3. Analyzing portfolio holdings and their operating environments of a regular basis;
4. Expressing ESG concerns that have been identified during the research process;
5. When applicable, voting for proxy proposals for securities that are aligned with their ESG engagement activities.

Exclusion policy:

The Investment Manager will exclude direct investment in corporate issuers which have exposure to,



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or ties with, certain sectors, namely issuers deriving:

Any revenue from:

- Controversial weapons
- Weapons production (civilian and military firearms)
- Tobacco products (manufacturing)

Revenues exceeding 5% of total annual revenues from:

- Adult entertainment
- Arctic oil, gas exploration and extraction, shale energy and oil sands extraction methods (for example, fracking)
- Thermal coal extraction

Revenues exceeding 10% of total annual revenues from:

- Military contracting for weapons, related products and/or services
- Thermal coal power generation, unless a transition plan towards renewable energy is in place

Revenues exceeding 50% of total annual revenues from:

- Trading and/or wholesale of tobacco (product retail)
- Palm oil production and distribution

In addition, the Investment Manager may exclude companies that may be viewed as inconsistent with the ten principles of the UN Global Compact. However, the Investment Manager may invest in and/or hold such companies if the Investment Manager determines the company provides positive sustainability outcomes that may outweigh other non-sustainable issues. Such determination may be based on utilization of data and research, including from third party sustainability service providers and/or engagement with the company's management.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy are the systematic exclusions of certain companies on the basis of the exclusion policy detailed above. In addition, the Investment Manager committed to have a Carbon intensity profile lower than the Index.

What is the policy to assess good governance practices of the investee companies?

The fund makes investments in companies of various market capitalizations (with a focus on smaller companies) that are undervalued, of high quality, and are managed by top management teams with excellent operational and governance records.

As part of its proprietary investment research, the Investment Manager typically considers a company's:

- Track record of allocating capital
- Board quality, diversity and composition
- Alignment of incentives for controlling stakeholders, minority shareholders and management
- History of protecting minority stakeholder rights, especially in a crisis
- Ability to attract and retain talent
- Exposure to regulatory, market and other risks
- Management of material environmental and social risk



- Potential for successfully entering new areas of business by leveraging existing strengths

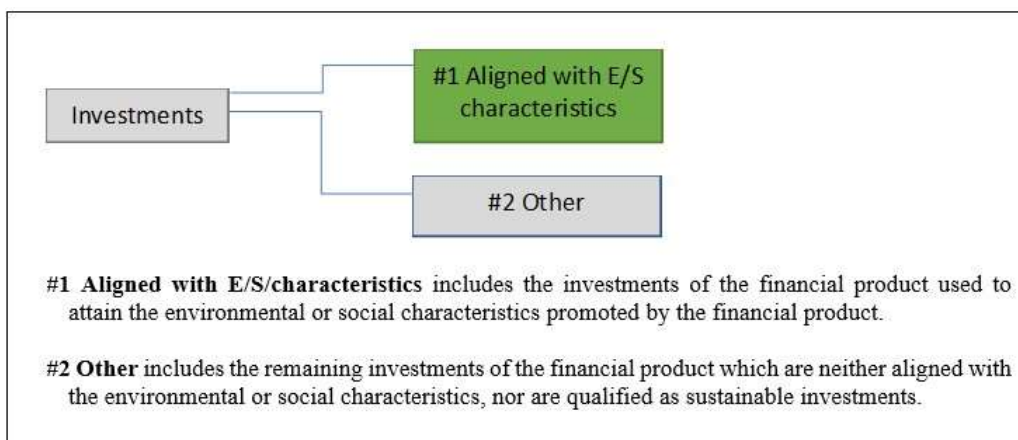
To develop a 360-degree view of investee companies, the Investment Manager’s due diligence process includes meetings with one or more of the following stakeholders: company management, employees, customers, suppliers, research and civic organizations. This helps the Investment Manager gauge the strength and quality of management teams, as well as the viability of a company’s business model. The Investment Manager may also consider a company’s potential for successfully entering new areas of business by leveraging existing strengths. In markets that are rapidly growing and still inherently inefficient, the Investment Manager believes identifying companies with strong corporate governance is essential to helping manage our clients’ investments.



D. Proportion of investments

What is the planned asset allocation for this financial product?

The fund will invest at least 85% of its NAV in companies aligned with the E&S characteristics promoted (#1). Hence, the remaining portion (<15%) will be made of (#2) “Other” investments.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

“Other” investments include cash, cash equivalents, investments for diversification purposes or investments for which data is lacking and does not follow any minimum E&S safeguards.



E. Reference benchmark

Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the financial product?

- Yes
 No