



*A New Way to Invest in the Future of
Emerging Markets and Asia: **Active** ETFs*

Matthews Emerging Markets Sustainable Future Active ETF (EMSF)

Matthews | Q1 2025



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Access the Potential of Asia and Emerging Markets in Active ETFs



We believe

- these markets **offer investors the best opportunities for long-term growth**
- **Active management is required** to successfully invest in these regions

We have

- An investment team with the **experience and expertise needed to navigate these markets**
- A **time-tested process**, proven through market cycles
- **More than 30 years' experience** investing in these regions

Matthews: Emerging Markets, Asia and China Equity Specialist

Global client base spanning institutional, professional, family offices, private banks and high net-worth investors



**Trusted,
Experienced
Partner**



**Proven Active
Performance
30+ Years**

invested in
Emerging Markets & Asia



**Outcomes
& Tailored
Solutions**

Customization,
Sustainability



**Global
Perspective**

San Francisco, London,
Hong Kong, New Jersey



**Responsible
Investment &
Sustainability
Expertise**



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Matthews Capabilities

Independent, private, employee ownership drives long-term investment excellence

Firm Facts (As of September 30, 2024)

120+ employees

30+ investment professionals

- 9 years average firm tenure
- 18 years average EM & Asia investing

4,500+ company meetings in 2023

Assets Under Management

Total	US\$8.3B
Regional	US\$4.8B
Single-Country	US\$3.5B

Investment Vehicles

US Mutual Funds
Exchange Traded Funds
UCITS Funds
Separate Accounts
Institutional Comingled

Core Investment Principles

Active Management
Emerging Markets Specialist
Deep Experience
High Active Share
Fundamental Research
Risk Management
Commitment to Perform & Inform

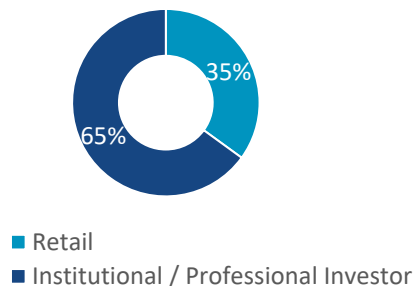
Office Locations



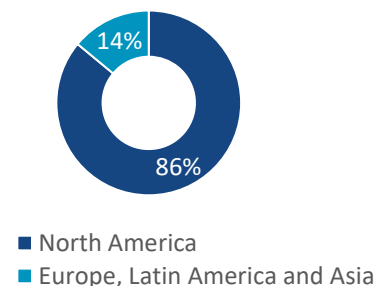
A History of Innovation

- **1991**—Founded by Paul Matthews
- **1994**—U.S. 40 Act Mutual Fund established
- **2000**—Separate Account offerings
- **2010**—UCITS Fund launched
- **2015**—Sustainable Fund launched
- **2018**—Institutional comingled offerings
- **2022**—Active ETFs launched

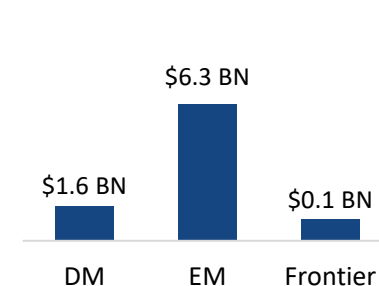
Client AUM by Type, US\$



Client AUM by Domicile, US\$



AUM by Markets Invested, US\$



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Why Sophisticated Investors *Actively* Partner with Matthews

● A Trusted and Experienced Guide

Pioneer investor in Emerging Markets and Asia, with a 33-year track record in complex markets that demand deep expertise, operational skill and risk acumen

● Proven Active Management

Driven by intellectual curiosity seeking unique insights to build highly differentiated portfolios that capture distinctive alpha for client outcomes

● Holistic Risk Management

Dynamic approach to risk across a range of economic and geopolitical cycles which leverages proprietary insights to identify strong governance and business sustainability in higher risk markets

● Operational Expertise

Comprehensive operational and trading expertise developed over 30+years in opaque and complex public markets

● Aligned With You

Commitment to achieving investment excellence from investment performance and deep insights to provide investment context



Investment Management Expertise with Potential Benefits of ETF Structure

FIVE BENEFITS OF ACTIVE ETFs

1

Potential for Increased Tax Efficiency

Structure offers the potential for reduced capital gains

2

Transparency

Daily view of portfolio holdings, you'll always know "what they own"

3

Intraday Liquidity

Can buy or sell shares throughout the U.S. trading day, offering more control

4

Isolated Trading Costs

Fund shareholders aren't impacted by others' trading activity

5

Low Minimum Investment

Purchase as little as one share, to access the full, diversified portfolio



Active ETFs Based on Signature Strategies

MEM

Matthews Emerging Markets Equity Active ETF

Invest in companies from some of the world's most dynamic economies

EMSF

Matthews Emerging Markets Sustainable Future Active ETF

Access the sustainable future growth potential of Emerging Markets

MEMX

Matthews Emerging Markets ex China Active ETF

Look beyond China for the next growth opportunities

ASIA

Matthews Pacific Tiger Active ETF

Access high quality growth companies in Asia (ex Japan)

MINV

Matthews Asia Innovators Active ETF

Seeks to ride the next wave of innovation in Asia

INDE

Matthews India Active ETF

Seeks to invest in innovative and entrepreneurial businesses of the next global powerhouse

MCH

Matthews China Active ETF

Participate in the growth potential of Asia's largest economy

JPAN

Matthews Japan Active ETF

Access the domestic, regional and global leaders of Japan

MKOR

Matthews Korea Active ETF

Access the innovation of Korean companies

ADVE

Matthews Asia Dividend Active ETF

Invest in dividend payers and growers from the Asia Pacific region

MCHS

Matthews China Discovery Active ETF

Seek alpha from China's small, entrepreneurial companies

MEMS

Matthews Emerging Markets Discovery Active ETF

Invest in innovative, entrepreneurial companies in emerging markets



EMSF

Matthews Emerging Markets Sustainable Future Active ETF

Access the **sustainable future growth**
potential of Emerging Markets



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Matthews Emerging Markets Sustainable Future Active ETF (EMSF) Portfolio Overview

Team Resources

Portfolio Managers



Vivek Tanneeru
20 years of exp.



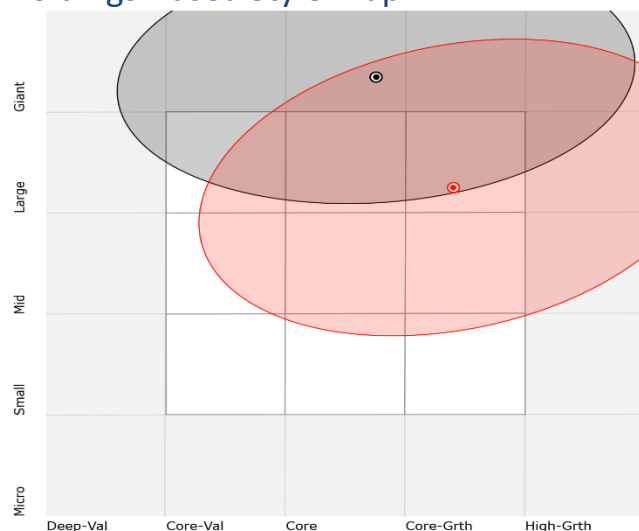
InBok Song
21 years of exp.

Vice President, Head of Responsible Investment & Stewardship



Kathlyn Collins, CAIA
VP, Head of Responsible Investment & Stewardship
10 years of exp.

Holdings-Based Style Map*



- Matthews Emerging Markets Sustainable Future Active ETF
- MSCI Emerging Markets Index

FUND FACTS

Investment Objective

Long-term capital appreciation

Cap Range

All Cap

Benchmark

MSCI Emerging Markets Index

AUM (as of March 31, 2025):

\$25.2 million

Inception Date

September 21, 2023

Gross Expense Ratio

0.79%

Note: Years of experience as of January 2025

*Style map from Morningstar Direct and for illustrative purposes only.

Matthews Emerging Markets Sustainable Future Fund's consideration of ESG factors in making its investment decisions may impact the Fund's relative investment performance positively or negatively.

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A Seasoned, Award-Winning Strategy



The 2021 UNCTAD Sustainable Emerging Market Fund Awards recognizes the achievements and impact of sustainable equity funds that invest (solely or mainly) in emerging markets. Two winners were awarded. Eligibility criteria: All sustainable mutual funds (excluding ETFs) that invest solely or mainly (over 70% of their assets) in developing markets were eligible for the Sustainable Emerging Market Fund Awards, if they met the following criteria as of June 30, 2020: (1) they have a 3-year performance history; (2) they have minimum assets of \$10 million; and (3) their holdings are accessible on leading global fund databases. For informational purposes only and does not, in any way, constitute investment advice or an offer to sell or a solicitation of an offer to buy any product mentioned herein.

Source: World Investment Forum. Figure: Youtube; UNCTAD Sustainable Fund Awards 2021, UNCTAD Investment

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Matthews' Firmwide ESG Incorporation

Research-based perspective reflecting business realities and context

LONG-TERM ALPHA GENERATION		
Firm Level	Investment Level	Strategy Level
 <p>Mission, Culture and Talent Alignment to Support Performance Goals:</p> <ul style="list-style-type: none"> — Our mission — Diversity and Inclusion Sub-Committee, Responsible Investment and Stewardship Sub-Committee, and Sustainability Sub-Committee — Principles for Responsible Investment (PRI) Signatory <p>COMMUNITY AND ENVIRONMENT</p> <ul style="list-style-type: none"> — Matthews Asia Charitable Giving — Annual employee volunteer day — LEED certified HQ since 2014 — Carbon offsets for firm-wide travel emissions 	 <p>Foundations for Sustainability Integration:</p> <ul style="list-style-type: none"> — Oversight: Responsible Investment and Stewardship Sub-Committee — Emphasis on Governance — Risk Monitoring & Responsible Investment Research — Company Engagement & Proxy Voting — Industry Collaboration: <ul style="list-style-type: none"> — Asian Corporate Governance Association (ACGA) — IFRS Sustainability Alliance — Emerging Markets Investors Alliance (EMIA) — CDP, FAIRR 	 <p>Tailored Integration by Strategy:</p> <ul style="list-style-type: none"> — Active Security Selection — Materiality — Sustainability Inputs Tailored to Reflect: <ul style="list-style-type: none"> — Objectives and philosophy — Sustainable data availability — Market cap of securities — Region/Country and stage of development — Appreciation for client preferences (Sustainability approach, reporting)

Sustainability considerations are not a specific requirement for all portfolios at Matthews. Sustainability factors can vary over different periods and can evolve over time. They may also be difficult to apply consistently across regions, countries or sectors. There can be no guarantee that a company deemed to meet Sustainability standards will actually conduct its affairs in a manner that is less destructive to the environment or promotes positive social and economic developments. Parameters set by Matthews are subject to change.

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The Fund's “What We Do” Edge: Rigorous Approach to Sustainability Investing

1

Intentionality & Double materiality focus

2

Thoughtful positive outcomes measurement approach

3

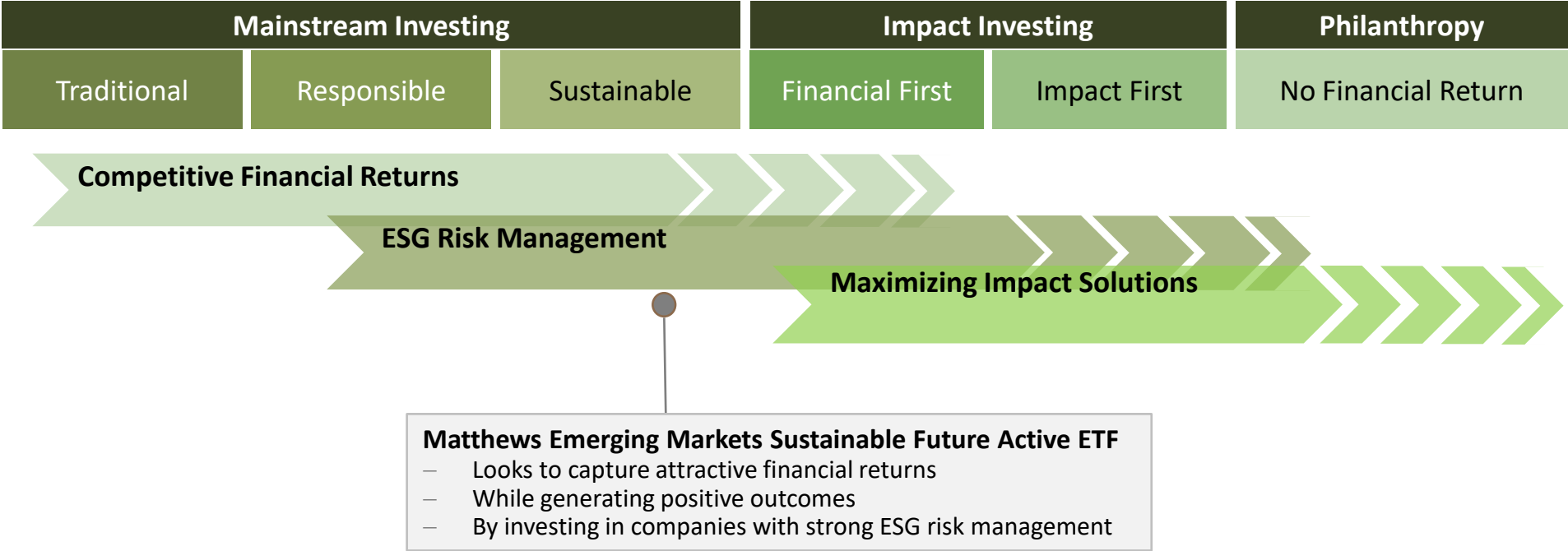
Substantive and focused engagement approach

4

Distinct portfolio composition

We Believe Our Intentionality and Double Materiality Focus Sets Us Apart
















Where we are on the sustainability investing continuum




We Believe Our Intentionality and Double Materiality Focus Sets Us Apart

Not all responsible strategies are created the same

RANGE OF RESPONSIBLE INVESTING APPROACHES

	Sustainable Investing: Positive Outcomes	ESG Integration Approach	Negative Exclusionary Screening
Screening			
Manage ESG Risks			
Active Engagement			
Seek Sustainable Investment Opportunities			
Outcomes Measurement			

 100  0 % typically integrated into strategy

We Believe Our Intentionality and Double Materiality Focus Sets Us Apart

A thoughtful approach to Emerging Markets and Asian sustainability investing

INTENTIONALITY-ORIENTED FOUNDING PRINCIPLE

Focus on investing in fundamentally sound companies with attractive growth profiles that drive positive environmental, social and economic outcomes

POSITIVE & NEGATIVE OUTCOMES

Company's impact on people and the environment



DOUBLE MATERIALITY PRINCIPLE

ESG INTEGRATION

Seeks to understand how sustainability and governance issues affect company financial performance and value

1. Resulting in an Investment Framework with Sustainability at its Core

A focus on identifying a company's current or future contribution to positive outcomes

			
Exclude unsustainable industries and businesses	Identify sustainable companies with exposure to 8 key environmental and social focus areas	Long-term growth prospects and valuations assessment	Substantive engagements with portfolio companies
<ul style="list-style-type: none">– Utilize activity-based with revenue thresholds for involvement and norms-based screens	<ul style="list-style-type: none">– Eight key focus areas:<ol style="list-style-type: none">1. Circular Economy2. Clean Elements3. Health & wellbeing4. Human Capital Development5. Inclusive Development6. Sustainable Dev. Enablers7. Climate Change Mitigation & Adaptation8. Sustainable Production & Consumption– Double materiality focus (including ESG integration)	<ul style="list-style-type: none">– Business Quality Assessment– Management Quality Assessment– Valuation Assessment	<ul style="list-style-type: none">– Engage companies and their stakeholders, and pursue advocacy– Regular company and stakeholder visits to monitor progress– All Matthews Asia investment team members gather ESG inputs

2. Fund Provides Exposure To a Multitude of Sustainability Focus Areas

SOCIAL (55%)

Inclusive Development (28%)

- Affordable Housing
- Affordable Health Care
- Digital Inclusion
- Financial Inclusion

Human Capital Development (14%)

- Education, Skills, Training & Dev.
- Human Rights/Community Relations
- Gender Equality
- Employee Welfare

Sustainable Development Enablers (10%)

- Exchanges & Data Providers

Health & Wellbeing (3%)

- Food Security/Sustainable Agriculture
- Nutrition, Health & Wellness
- Safety

ENVIRONMENTAL (45%)

Sustainable Production & Consumption (18%)

- Energy Efficiency
- Resource Management & Security

Climate Change Mitigation & Adaptation (26%)

- Renewable & Alternative Energy
- Low Environmental Footprint
- Sustainable Transportation
- Green Infrastructure

Circular Economy (0.4%)

- Reduce, Reuse, Recycle & Recovery

Clean Elements (1%)

- Water
- Pollution Alleviation

Companies with Good Governance

Parameters set by Matthews Asia are subject to change. Data is for illustrative purposes only.

Source: Matthews Asia; data as of February 29, 2024

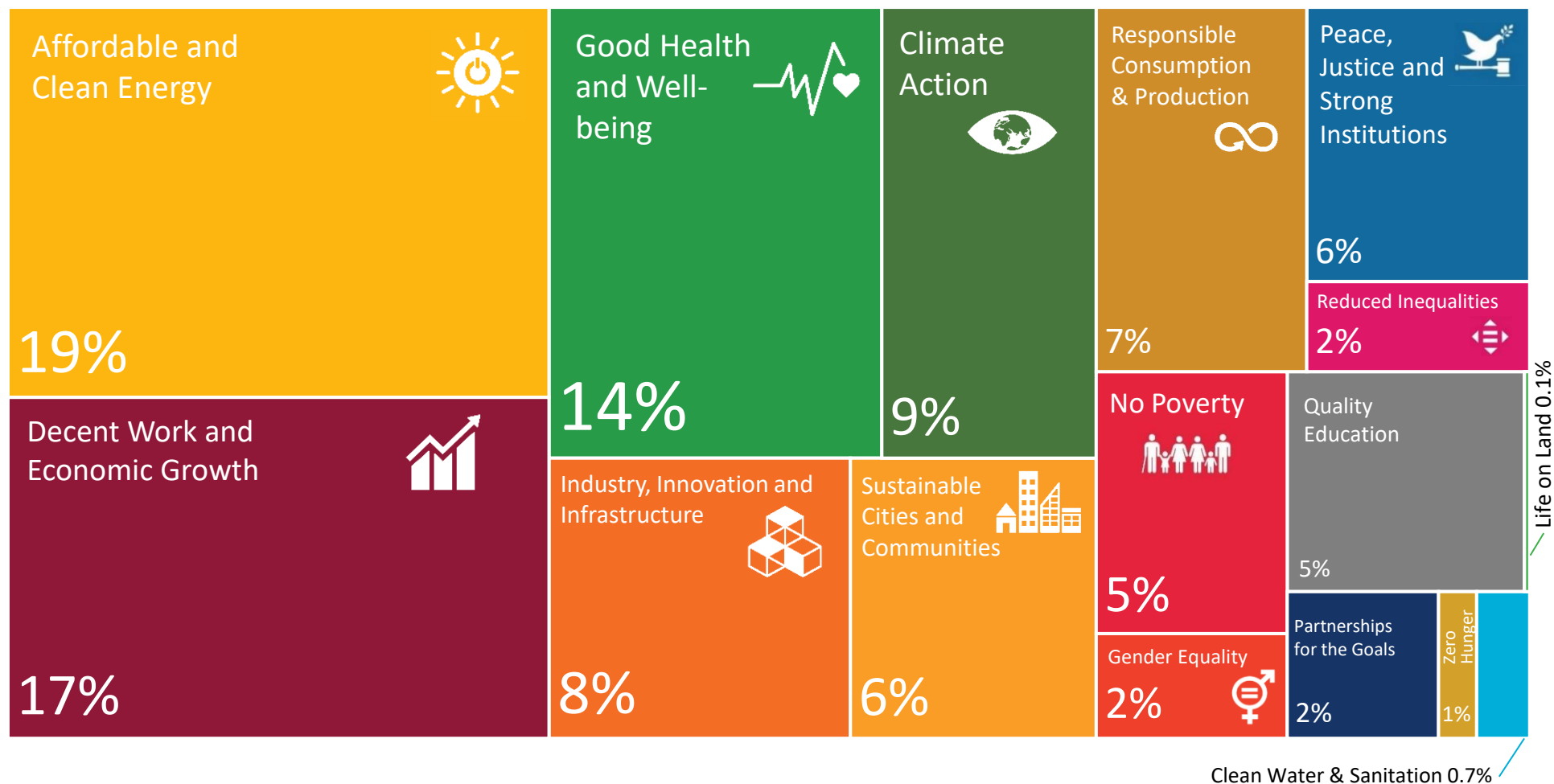
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We Believe the Fund Measures Outcomes That Really Matter

Fund is broadly aligned with UN Sustainable Development Goals (SDGs)



Percentages shown depict Sustainable Development Goals (SDG) category breakdowns for the Emerging Markets Sustainable Future Fund as of February 29, 2024. Methodology used by Matthews Asia includes the mapping of FactSet's 1700+ RBICs activities to relevant SDG categories, in which we allocate revenue from investee companies to relevant SDGs and allocate investments to different SDGs on a weighted average basis. Environmental and Social Focus area definitions and associated metrics are used to supplement non-revenue-oriented sustainability outcomes.

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3. We Take a Substantive, Focused & Independent Approach to Engagements

Successful independent voting is predicated on having a platform of trust with management teams

EMERGING MARKETS SUSTAINABLE FUTURE FUND: ALIGNMENT WITH MANAGEMENT (2021)



100%

Voting rate in
votable meetings

Voted on a total of 741 distinct
proposals at 85 meetings in 2021



18%

Voted against
management

31%

of these votes were
against directors

57%

of votes against directors
were related to lack of
gender diversity on the board

Note: Voting rates shown for Emerging Markets Sustainable Future team
Source: ISS; data as of 2021



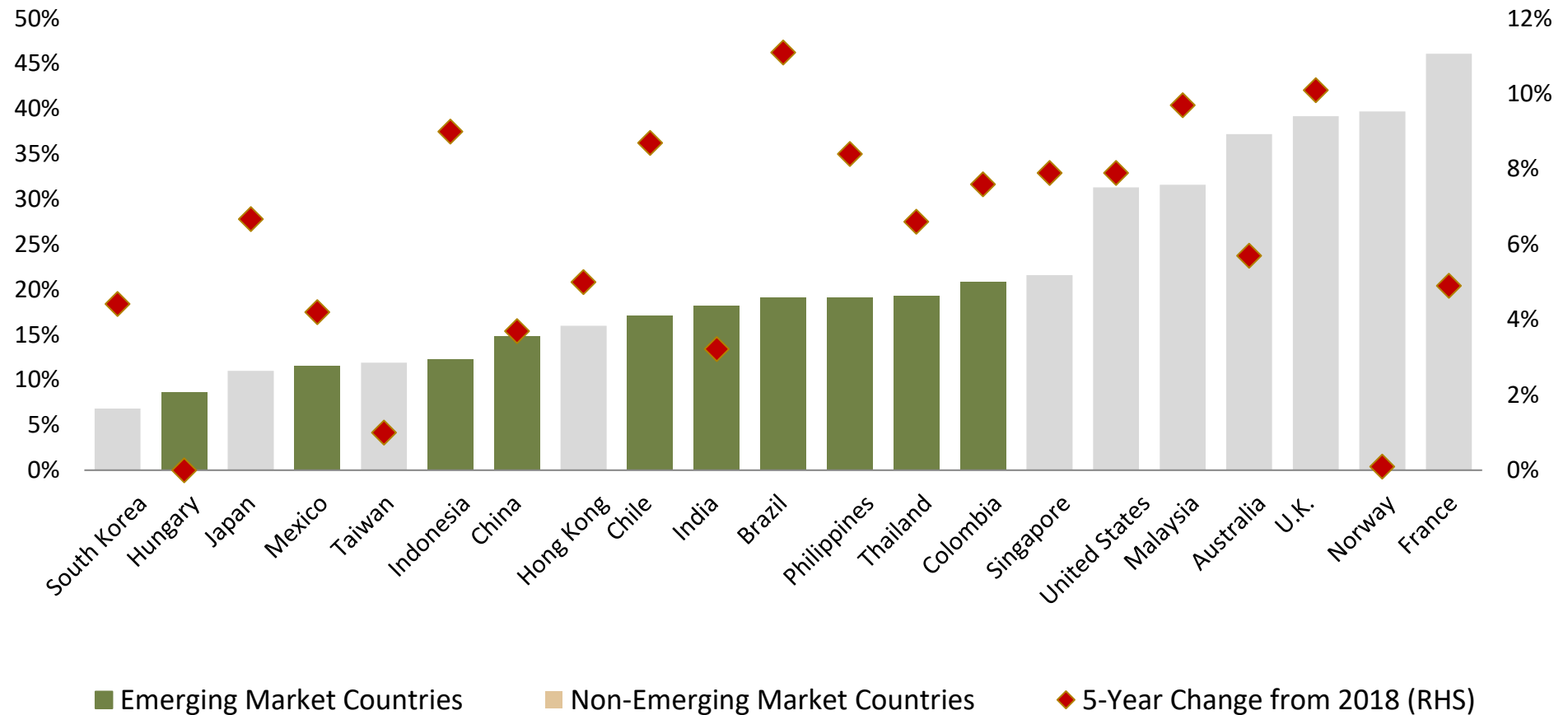
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3. We Take a Substantive, Focused & Independent Approach to Engagements

Female board representation lags in Emerging Markets

PERCENTAGE OF BOARD SEATS HELD BY WOMEN IN 2022



Source: Deloitte, "Women in the Boardroom, a Global Perspective"; MSCI ESG Women on Boards December 2022 Progress Report

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3. We Take a Substantive, Focused & Independent Approach to Engagements

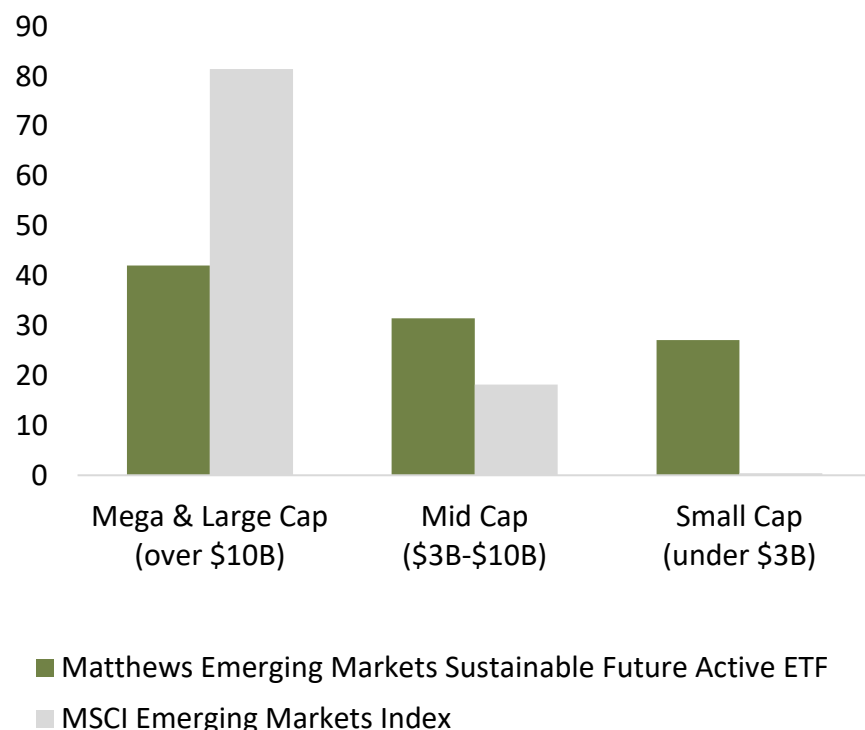
Female Board Representation Initiative: In-depth engagements that encourage better disclosures

MATTHEWS ASIA STRATEGY BOARD DIVERSITY ENGAGEMENT

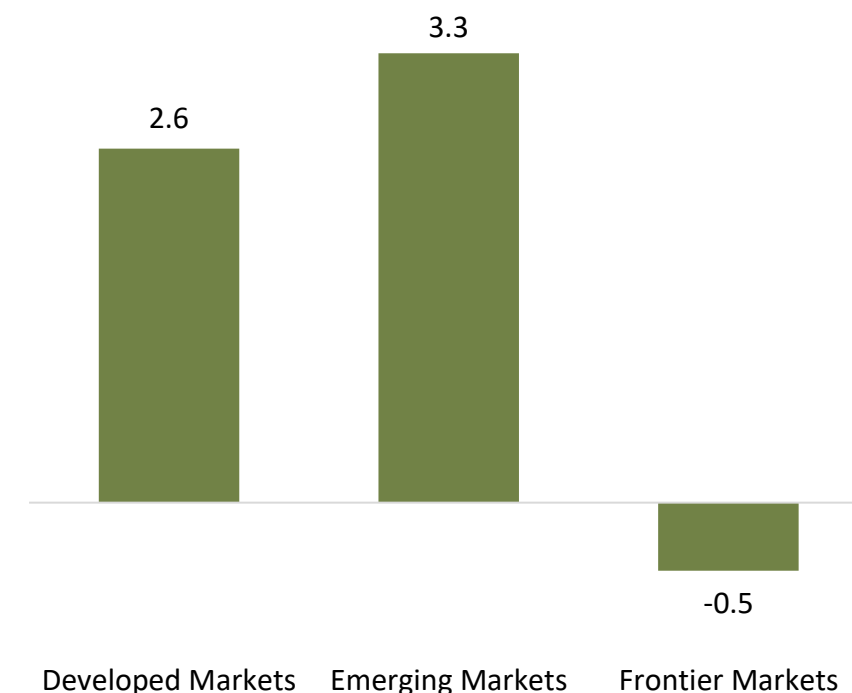


4. Highly Differentiated: Offers Strong Exposure to SMID Caps, Higher Exposure to Emerging Asia, and High Active Share

TRUE ALL-CAP APPROACH



OVERWEIGHT EMERGING MARKETS



The information contained in this presentation does not, in any way, constitute investment advice. Portfolio characteristics for the Fund may vary from time to time from what is shown. An index is unmanaged and it is not possible to invest directly in an index.

Sources: FactSet Research Systems, Matthews; data as of March 31, 2025

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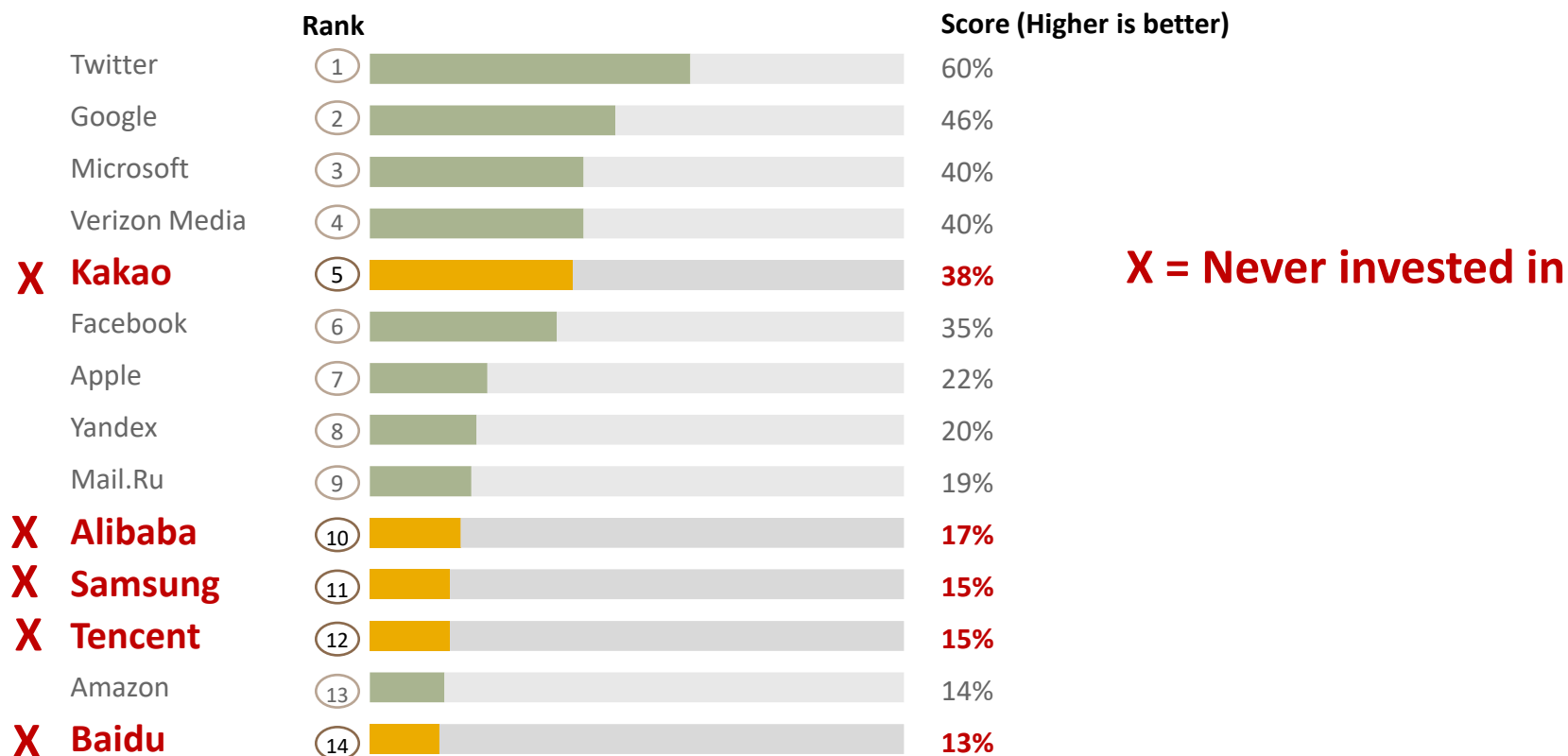


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4. While Avoiding Platform Companies With Human Rights, Censorship, Data privacy and Surveillance Issues

What you don't invest in matters as much as what you do invest in

2020 GLOBAL FREEDOM OF EXPRESSION SCORES



Note: Companies noted in red represent Asian companies never invested in. The information does not constitute a recommendation to buy or sell any securities mentioned.

Source: Ranking Digital Rights Index 2020



4. As Human Rights, Censorship, Data Privacy and Surveillance Track Record Matters Even More in Emerging Markets

We have seen this “movie” before in developed markets

Technology

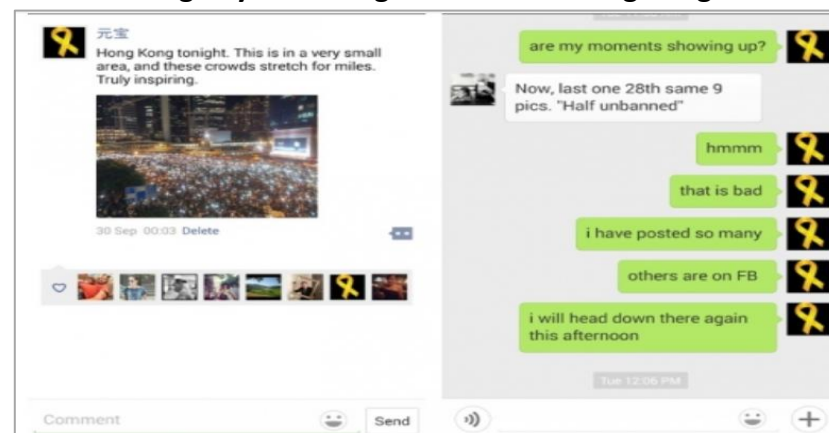
Facebook Turns Toxic for Some ESG Funds

By Emily Chasan

March 26, 2018, 10:07 AM PDF

- ▶ Turmoil has cut company’s market value by about \$90 billion
- ▶ Some investors now lump Facebook in with so-called sin stocks

WeChat Allegedly Censoring Photos from Hong Kong Protests



ETHICAL INVESTORS

Socially responsible funds hold about 6.3 million shares of Facebook

131

Ethical Funds
holding Facebook

80

Ethical Funds with
Facebook as top holding



Sources: Bloomberg, “Facebook Turns Toxic for Some ESG Funds”, March 26, 2018; The Citizens Lab, 2017; Tech in Asia, 2014

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We Believe Passive is a Poor Choice For EM Sustainability Investing

✳ Passive investing has an ESG data challenge

- Incomplete ESG coverage
- Within the coverage universe bias against
 - Small/Mid Cap
 - EM/Frontier

✳ Which benchmark to choose? “Aggregate confusion” rating agency problem

- No coherent scope, measurement or weightings across ESG research providers

✳ What are you buying? Same old portfolio x2?

✳ Less focused engagements

✳ Limited availability of broad-based passive Asian sustainability product

MSCI Emerging Markets ESG Leaders Index vs. Parent index (MSCI Emerging Markets)

TOP 10 CONSTITUENTS

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
TAIWAN SEMICONDUCTOR MFG	TW	12.26	6.47	Info Tech
TENCENT HOLDINGS LI (CN)	CN	7.15	3.77	Comm Svcs
ALIBABA GRP HLDG (HK)	CN	5.27	2.78	Cons Discr
RELIANCE INDUSTRIES	IN	2.82	1.49	Energy
MEITUAN B	CN	2.69	1.42	Cons Discr
INFOSYS	IN	1.93	1.02	Info Tech
CHINA CONSTRUCTION BK H	CN	1.80	0.95	Financials
HOUSING DEV FINANCE CORP	IN	1.51	0.80	Financials
TATA CONSULTANCY	IN	1.13	0.60	Info Tech
NETEASE	CN	1.12	0.59	Comm Svcs
Total		37.68	19.88	

Note: For illustrative purposes only. The information does not constitute a recommendation to buy or sell any securities mentioned. Indexes are unmanaged and it is not possible to invest directly in an index.

Source: MSCI; data as of June 30, 2022

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The Fund's “How We Do It” Edge: Leveraging Matthews’ Strengths

1. Broad Matthews Asia Resources

- The Strategy team is supported by a world class dedicated Asia and Emerging Markets investment team primarily born and raised within the regions we invest in
- Assistance from knowledge platform specialists in critical countries like China and India and sector specialists in areas like technology and innovation

2. Information Edge: Proprietary ESG Analysis

- Third party ESG data is insufficient and inconsistent
- We rely on a combination of local sources, proprietary data and research and the full breadth of the Matthews Asia investment team to populate our ESG analytics
- While also using third party data to supplement our research

3. An investment process which combines our sustainability focus areas framework with traditional fundamental analysis

- Our long-standing fundamental bottom-up company research focuses on corporate governance, business quality, management quality and valuation
- It is combined with our sustainable focus areas framework to identify attractively-valued quality growth companies

4. Active and ongoing engagement

- We believe active ownership is key to generating positive outcomes
- Areas of engagement included climate change and environmental management, data security, employee health and safety, board diversity, shareholder communication, and ESG disclosure

A Team with a Strong Sustainability Investing Track Record



VIVEK TANNEERU
Portfolio Manager



KATHLYN COLLINS, CAIA
Analyst
Vice President, Head of Responsible
Investment and Stewardship

Years in Industry*	20 Years	10 Years
	<ul style="list-style-type: none"> ✧ World Bank ✧ Introduction to Sustainability investing at Generation Investment Management ✧ Five years at Pictet Asset Management, one of the Sustainable investing pioneers in Europe ✧ Led Matthew Asia’s efforts in obtaining Gold LEED certification ✧ Co-Chair Matthews Sustainability Committee 	<ul style="list-style-type: none"> ✧ International Corporate Governance Network’s (ICGN) ESG integration course faculty member ✧ Sustainability Accounting Standards Board (SASB) Fundamentals of Sustainability Accounting (FSA) credential holder ✧ Formerly with Cartica Management LLC, an emerging markets activist hedge fund ✧ Member of the Matthews Sustainability Committee
Languages Spoken	Telegu, Hindi	Italian, Spanish



Backed by A Large, Seasoned EM Equities Team with a Long-Term Track Record

— Matthews seasoned Asia equities team supported by knowledge platforms, strategists and on the ground analysts

EMERGING MARKETS SUSTAINABLE FUTURE FUND TEAM

○ Located in Asia ○ Knowledge Platform Lead

Portfolio Manager



Vivek Tanneeru
Portfolio Manager
20 years of exp.



InBok Song
Portfolio Manager
21 years of exp.

Analysts



Kathlyn Collins, CAIA
VP, Head of Responsible Investment & Stewardship
10 years of exp.



Wenlin Zhao
Research Analyst
6 years of exp.



Kary Cheng
Research Analyst
6 years of exp.

China Knowledge Platform



Andrew Mattock, CFA
Portfolio Manager
32 years of exp.



Winnie Chwang
Portfolio Manager
21 years of exp.



Kary Cheng
Research Analyst
6 years of exp.



Wenlin Zhao
Research Analyst
6 years of exp.



Sherwood Zhang, CFA
Portfolio Manager
24 years of exp.



Jeremy Sutch, CFA
Portfolio Manager
31 years of exp.

India Knowledge Platform



Peeyush Mittal, CFA
Portfolio Manager
16 years of exp.



Swagato Ghosh
Portfolio Manager
12 years of exp.

ASEAN Knowledge Platform



Jeremy Sutch, CFA
Portfolio Manager
31 years of exp.



Cecilia Lau
Portfolio Manager
6 years of exp.



Kary Cheng
Research Analyst
6 years of exp.

Innovation Knowledge Platform



Michael Oh, CFA
Portfolio Manager
25 years of exp.



Shuntaro Takeuchi
Portfolio Manager
24 years of exp.



Sojung Park
Portfolio Manager
16 years of exp.



InBok Song
Portfolio Manager
21 years of exp.



Donghoon Han
Portfolio Manager
15 years of exp.



Note: Years of industry experience as of January 2025

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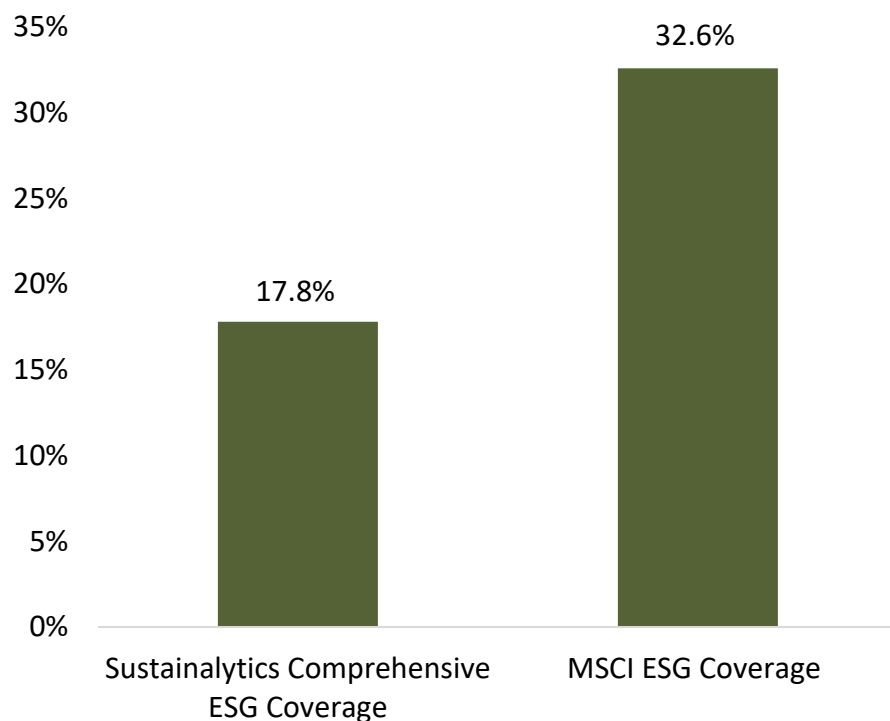
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2. Insufficient & Inconsistent ESG Data Necessitates Proprietary Research

We rely on our [active](#) approach to ESG and [in-depth local knowledge](#) to fill gaps to the extent possible

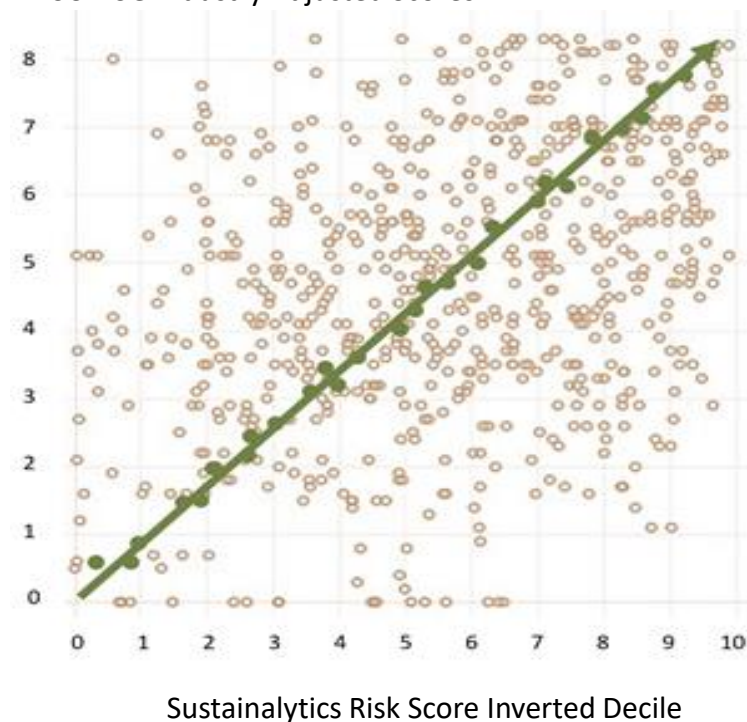
ESG COVERAGE OF EMERGING MARKETS IS LOW

Total Companies: ~7,500



ESG DATA CAN BE INCONSISTENT

MSCI ESG Industry Adjusted Scores



Note: Market Cap screen \$300 million, ADTV \$500k. Most recent information available. For illustrative purposes only.

Source: Sustainalytics, MSCI ESG data as of June 2022



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2. Insufficient & Inconsistent ESG Data Necessitates Proprietary Research

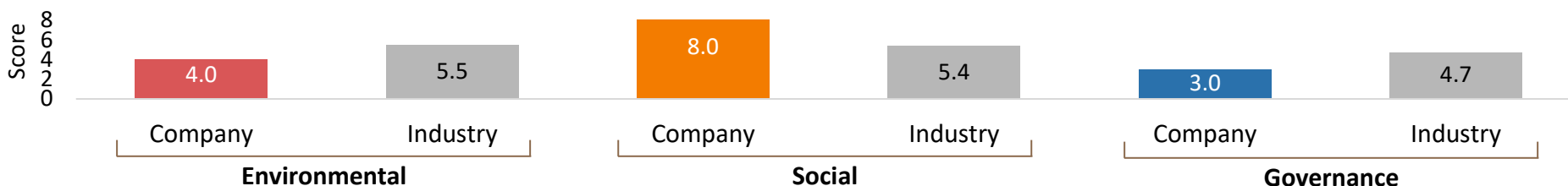
We combine primary research with third-party data sources

- Third-party ratings don't cover the entire universe, so through our proprietary data tool we are able to get a more complete picture on investee companies, particularly on governance
- Low-level of coverage for small mid-cap companies, emerging market and frontier companies
- Local context often missing
- Proprietary model flags controversies, reputational risk and third-party ratings if available

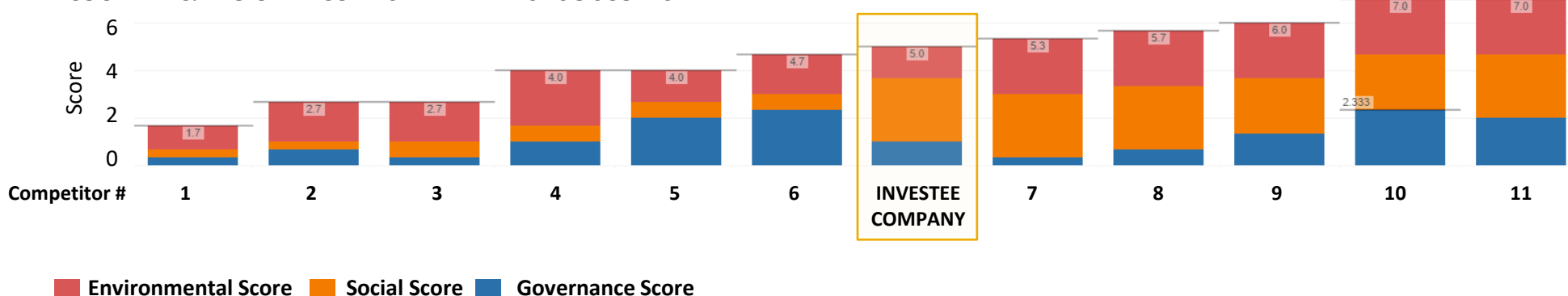
5.0

Matthews Aggregate
ESG Score (*Industry Decile*)

MATTHEWS ESG SCORES (DECILE, 10 = TOP)



COUNTRY & REGIONAL COMPS: MATTHEWS ESG SCORES



Environmental Score Social Score Governance Score

Note: for illustrative purposes only.

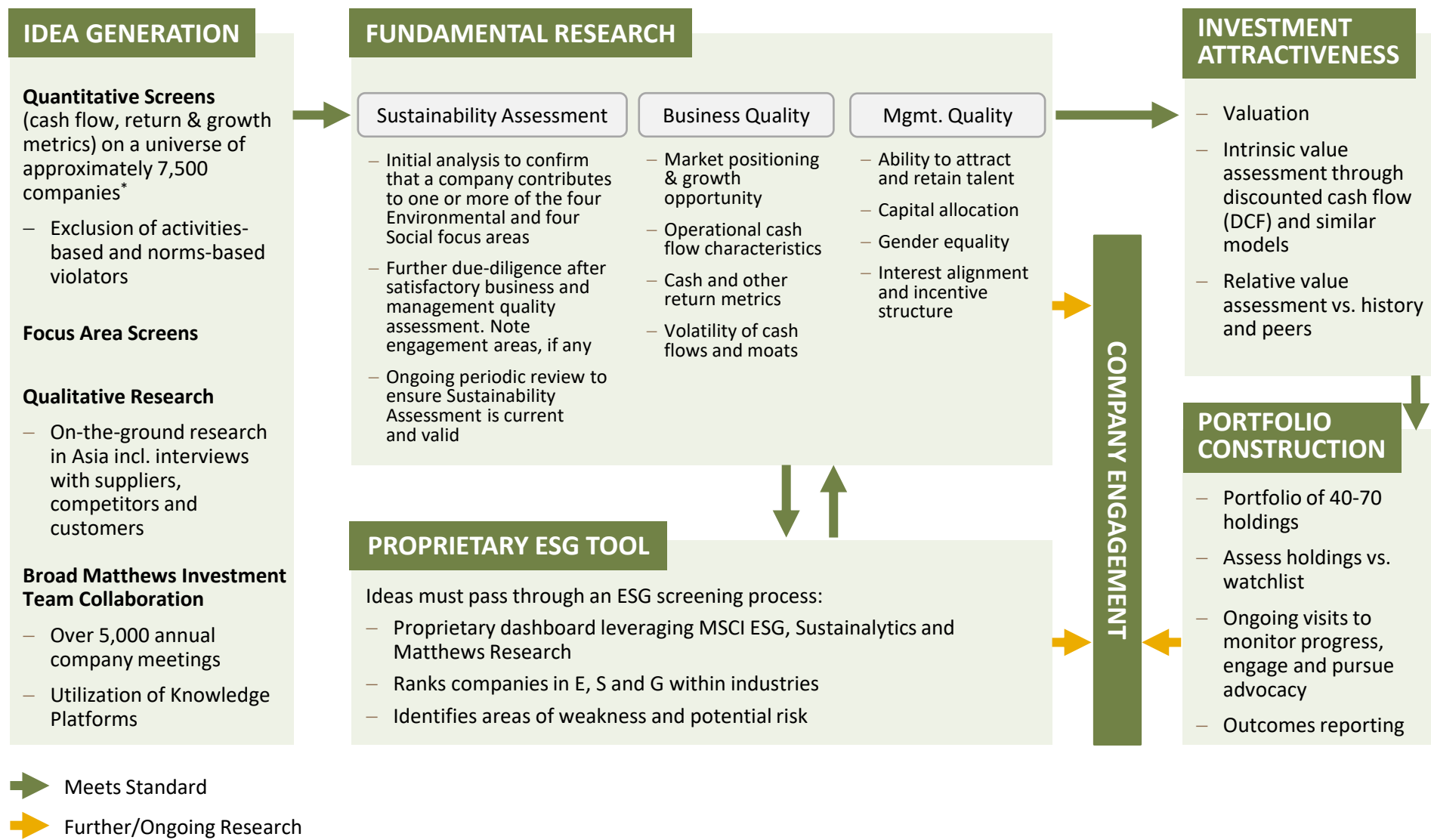


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3. Emerging Markets Sustainable Future Active ETF Investment Process

Sustainability at its Core



Parameters set by Matthews Asia are subject to change.

* Market cap over US\$300MN with a daily traded value over US\$0.5MN



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4. We Take a Substantive, Focused and Independent Approach to Engagements

Successful independent voting is predicated on having a platform of trust with management teams

MATTHEWS ASIA – ALIGNMENT WITH MANAGEMENT (2021)



99%

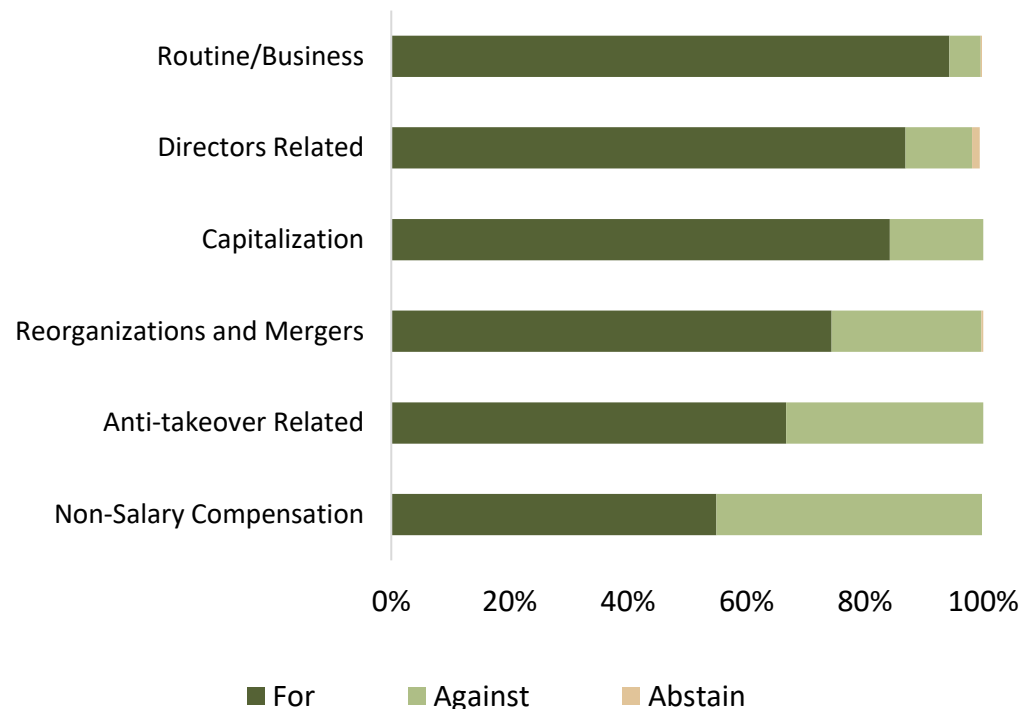
Voting rate in
votable meetings



45%

Voted against
management

MATTHEWS ASIA – VOTES CAST PER CATEGORY (2021)



Note: Voting rates shown on slide for Matthews Asia
Source: ISS; data as of 2021



Portfolio Characteristics | Matthews Emerging Markets Sustainable Future Active ETF

As of March 31, 2025

COUNTRY ALLOCATION (%)

	Fund	Benchmark	Difference
China/Hong Kong	34.4	31.4	3.0
India	25.9	18.5	7.4
Taiwan	12.3	16.8	-4.5
Brazil	6.6	4.4	2.2
South Korea	4.2	9.0	-4.8
Poland	3.3	1.0	2.3
South Africa	2.6	3.2	-0.6
Indonesia	1.8	1.2	0.6
Romania	1.8	0.0	1.8
Jordan	1.5	0.0	1.5
United States	1.5	0.0	1.5
Greece	1.3	0.6	0.7
Turkey	1.0	0.6	0.4
Philippines	0.9	0.5	0.4
Saudi Arabia	0.6	4.1	-3.5
Chile	0.5	0.5	0.0
Vietnam	0.1	0.0	0.1
Mexico	0.0	1.9	-1.9
United Arab Emirates	0.0	1.4	-1.4
Malaysia	0.0	1.3	-1.3
Thailand	0.0	1.2	-1.2
Qatar	0.0	0.8	-0.8
Kuwait	0.0	0.8	-0.8
Other	0.0	1.0	-1.0
Liabilities In Excess of Cash and Other Assets	-0.5	0.0	-0.5

SECTOR BREAKDOWN (%)

	Fund	Benchmark	Difference
Financials	24.2	24.3	-0.1
Information Technology	19.1	21.7	-2.6
Consumer Discretionary	15.6	14.6	1.0
Industrials	14.2	6.3	7.9
Consumer Staples	8.3	4.7	3.6
Health Care	7.3	3.3	4.0
Communication Services	7.1	10.3	-3.2
Utilities	2.2	2.6	-0.4
Real Estate	2.2	1.7	0.5
Materials	0.1	5.9	-5.8
Energy	0.0	4.5	-4.5
Liabilities In Excess of Cash and Other Assets	-0.5	0.0	-0.5

Benchmark: MSCI Emerging Markets Index

The information contained in this presentation does not, in any way, constitute investment advice. Portfolio characteristics for the Fund may vary from time to time from what is shown. Indexes are unmanaged and it is not possible to invest directly in an index.

Sources: FactSet Research Systems, Inc., Matthews



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Portfolio Characteristics | Matthews Emerging Markets Sustainable Future Active ETF

As of March 31, 2025

MARKET CAP EXPOSURE (%)

	Fund	Benchmark	Difference
Mega Cap (over \$25B)	22.0	59.4	-37.4
Large Cap (\$10B-\$25B)	22.8	22.1	0.7
Mid Cap (\$3B-\$10B)	31.9	18.2	13.7
Small Cap (under \$3B)	23.7	0.4	23.3
Liabilities In Excess of Cash and Other Assets	-0.5	0.0	-0.5

PORTFOLIO CHARACTERISTICS

	Fund
Weighted Average Market Cap	\$54.8 billion
P/E using FY1 Estimates*	13.5x
P/E using FY2 Estimates*	11.8x

Benchmark: MSCI Emerging Markets Index

*The P/E Ratio is the share price of a stock as of the report date, divided by the forecasted earnings per share for a 12-month period (FY1) and 24 month period (FY2). For the Fund, this is the weighted harmonic average estimated P/E ratio of all the underlying stocks in the Fund, excluding negative earners. There is no guarantee that the composition of the Fund will remain unchanged, or that forecasted earnings of a stock will be realized. Information provided is for illustrative purposes only.

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Sources: FactSet Research Systems, Inc., Matthews



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Top Ten Holdings | Matthews Emerging Markets Sustainable Future Active ETF

As of March 31, 2025

Company	Sector	Country	%
Meituan Class B	Consumer Discretionary	China/Hong Kong	7.1
Bandhan Bank, Ltd.	Financials	India	7.0
Full Truck Alliance Co., Ltd.	Industrials	China/Hong Kong	5.5
JD Health International, Inc.	Consumer Staples	China/Hong Kong	5.3
Taiwan Semiconductor Manufacturing Co., Ltd.	Information Technology	Taiwan	4.7
Indus Towers, Ltd.	Communication Services	India	4.4
Legend Biotech Corp.	Health Care	China/Hong Kong	4.3
Shriram Finance, Ltd.	Financials	India	2.7
B3 SA - Brasil Bolsa Balcao	Financials	Brazil	2.7
Nedbank Group, Ltd.	Financials	South Africa	2.6
Total for Top 10			46.3%

Top 10 holdings may combine more than one security from the same issuer and related depositary receipts. This information does not, in any way, constitute investment advice. Portfolio 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. The information does not constitute a recommendation to buy or sell any securities mentioned.

Sources: BNY Mellon Investment Servicing, Matthews



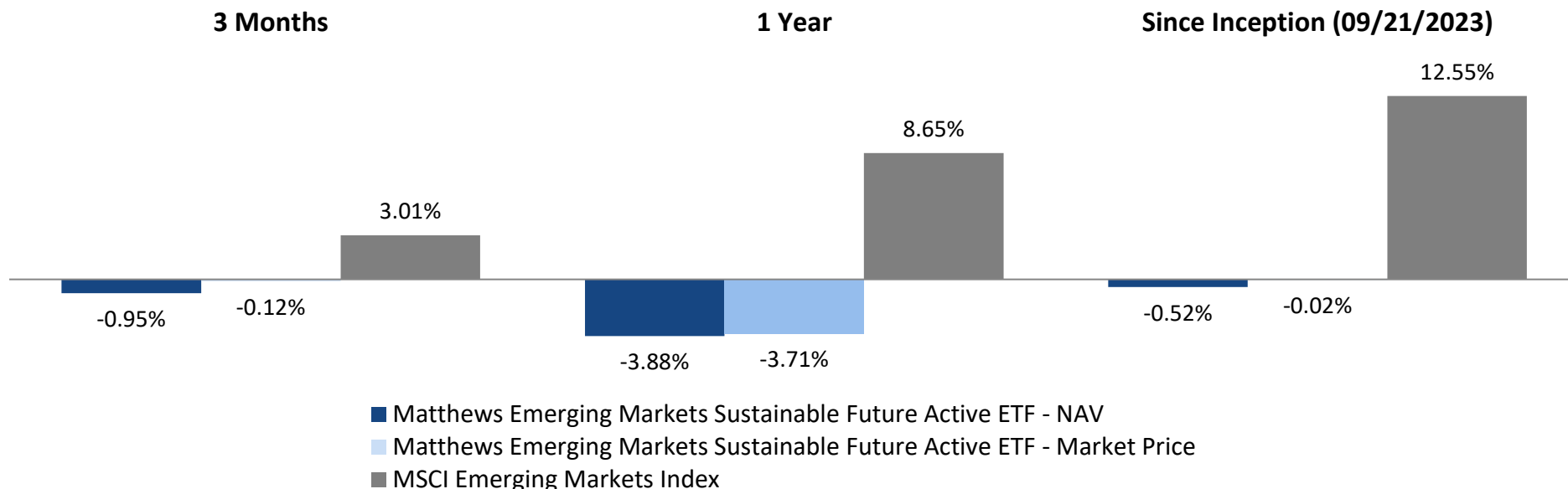
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Investment Returns | Matthews Emerging Markets Sustainable Future Active ETF

As of March 31, 2025

AVERAGE ANNUAL TOTAL RETURNS



Assumes reinvestment of all dividends and/or distributions before taxes. All performance quoted represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate with market conditions so that when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the return figures quoted. Returns would have been lower if certain of the Fund's fees and expenses had not been waived. For the Fund's most recent month-end performance, please visit matthewsasiasia.com. Indexes are unmanaged and it is not possible to invest directly in an index. Please refer to disclosures for index definition.

Net asset value ("NAV") returns are based on the dollar value of a single share of the ETF, calculated using the value of the underlying assets of the ETF minus its liabilities, divided by the number of shares outstanding. The NAV is typically calculated at 4:00 pm Eastern time on each business day the New York Stock Exchange is open for trading. Market returns are based on the trade price at which shares are bought and sold on the NYSE Arca, Inc. using the last share trade. Market performance does not represent the returns you would receive if you traded shares at other times. Total Return reflects the reinvestment of distributions on ex-date for NAV returns and payment date for Market Price returns. The market price of the ETF's shares may differ significantly from their NAV during periods of market volatility.

ETFs may trade at a premium or discount to NAV. Shares of any ETF are sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

Source: BNY Mellon Investment Servicing (US) Inc.



Emerging Markets Sustainable Future Active ETF Investment Team

VIVEK TANNEERU

Vivek Tanneeru is a Portfolio Manager at Matthews. Prior to joining Matthews in 2011, Vivek was an Investment Manager on the Global Emerging Markets team of Pictet Asset Management in London. While at Pictet, he also worked on the firm's Global Equities team, managing Japan and Asia ex-Japan markets. Before earning his MBA from the London Business School in 2006, Vivek was a Business Systems Officer at The World Bank and served as a Consultant at Arthur Andersen Business Consulting and Citicorp Infotech Industries. He interned at Generation Investment Management while studying for his MBA. Vivek received his Master's in Finance from the Birla Institute of Technology & Science in India. He is fluent in Hindi and Telugu.

INBOK SONG

Inbok Song is a Portfolio Manager at Matthews. Prior to rejoining Matthews in 2019, Inbok spent three years at Seafarer Capital Partners as a portfolio manager, the firm's Director of Research and chief data scientist. Previously she was at Thornburg Investment Management as an associate portfolio manager. From 2007 to 2015, she was at Matthews, most recently as a portfolio manager. From 2005 to 2006, Inbok served as an Analyst and Technology Specialist at T. Stone Corp., a private equity firm in Seoul, South Korea. From 2004 to 2005, she was a research engineer for Samsung SDI in Seoul. Inbok received both a B.A. and Masters in Materials Science and Engineering from Seoul National University. She received a Masters in International Management from the University of London, King's College, and also an M.A. in Management Science and Engineering, with a concentration in finance from Stanford University. Inbok is fluent in Korean.

KATHLYN COLLINS, CAIA

Kathlyn Collins is a Vice President and Head of Responsible Investing and Stewardship at Matthews. Prior to joining the firm in 2018, Kathlyn worked as an ESG & Global Strategy Analyst with Cartica Management LLC where she developed ESG integration and analyzed investments for portfolios, conducted company research and engagement, and wrote reports relating to Emerging Markets. She earned an M.A. in International Relations and International Economics from John Hopkins University School of Advanced International Studies and an M.A. in Italian Studies from Middlebury College in Florence, Italy. Kathlyn has a B.A. in Broadcast Journalism, Italian Language, Literature & Culture from Syracuse University. She has been part of the faculty for the International Corporate Governance Network's (ICGN) ESG integration course and is a Sustainability Accounting Standards Board (SASB) Fundamentals of Sustainability Accounting (FSA) credential holder. She is a Chartered Alternative Investment Analyst (CAIA) and speaks Italian and Spanish.

KARY CHENG

Kary Cheng is an ESG Research Analyst at Matthews. Prior to joining the firm in 2022, Kary was a Senior Consultant of Climate and Sustainability at Deloitte Touche Tohmatsu Hong Kong, where she provided ESG advisory services for financial institutions, listed and private corporates, and governmental organizations in Asia-Pacific Region in areas such as ESG strategy, stakeholder engagement and materiality assessment, data management, targets setting, reporting, sustainability ratings and indices, climate risk management and disclosure. From 2019 to 2021, Kary was at Ernst & Young Hong Kong, most recently as a Senior Consultant in Climate Change and Sustainability Services. She received her Bachelor of Integrated Business Administration from The Chinese University of Hong Kong. In addition, Kary is a Certified ESG Analyst (CESGA®) from the European Federation of Financial Analysts Societies (EFFAS) and a holder of Sustainability and Climate Risk (SCR®) Certificate from Global Association of Risk Professionals (GARP). She is fluent in Cantonese and Mandarin.

WENLIN ZHAO

Wenlin Zhao is an ESG Research Analyst at Matthews. Prior to joining the firm in 2022, Wenlin was a Senior ESG Research Analyst at CRISIL Limited where she collaborated with the S&P Global Corporate Sustainability Assessment team to prepare databases and complete questionnaires for ESG indices and DJSI companies to complete the corporate rating process. She also conducted quality control analysis of appraisal analysts' work. She began her career at Matthews as ESG Research Associate intern in 2019 and contractor in 2020 focused on tracking, analyzing and capturing the firm's research and engagement efforts. She received her Bachelor of Arts in Japanese from Dailian University of Foreign Language, Masters of Science in Business Management from Ritsumeikan University and Masters of International Affairs from University of California San Diego. Wenlin is SASB Fundamentals of Sustainability Accounting (FSA) Credential Holder and is fluent in Japanese and Mandarin.



Key Takeaways

- Matthews has been invested in emerging markets for more than 30 years, and has an experienced investment team with the regional knowledge needed to uncover companies with the potential to deliver long-term growth
- Matthews' active ETFs benefit from the same investment management experience as our actively managed mutual funds do, with access to additional benefits that an ETF structure provides
- Active management allows for greater flexibility to adapt to changing market environments
- Active ETFs allow investors a choice in how to invest, while providing benefits such as lower cost and potential tax efficiency, along with active security selection from our experienced portfolio managers

[Learn more at matthewsasiasia.com/ETFs](https://matthewsasiasia.com/ETFs)

A New Way to Invest in Emerging Markets and Asia

Access the potential of some of the world's most dynamic economies with active ETFs from the experts

MATTHEWS

- Time-tested investment process
- Investment team with the expertise needed to successfully navigate these regions
- 30+ years' experience

ACTIVE ETFs

- Potential to outperform
- Flexibility to buy and sell throughout trading day
- Lower costs and a tax-efficient structure





Contact Us:

To learn more about Matthews or how our strategies can complement globally diversified portfolios, please contact the Matthews Client Services Team

Contacting the Matthews Client Services team:



Phone: 888.289.7988



Email: clientservices@matthewsasias.com



Web: matthewsasias.com/ETFs



Disclosure

You should carefully consider the investment objectives, risks, charges and expenses of the Matthews Asia Funds before making an investment decision. A prospectus or summary prospectus with this and other information about the Funds may be obtained by visiting matthewsasia.com. Please read the prospectus carefully before investing.

ETFs may trade at a premium or discount to NAV. Shares of any ETF are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

Investing in Chinese securities involve risks. Heightened risks related to the regulatory environment and the potential actions by the Chinese government could negatively impact performance. Investments involve risks, including possible loss of principal. Investments in international, emerging and frontier markets involve risks such as economic, social and political instability, market illiquidity, currency fluctuations, high levels of volatility, and limited regulation, which may adversely affect the value of the Fund's assets. 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. Investing in small- and mid-size companies is more risky than investing in larger companies as they may be more volatile and less liquid than large companies. In addition, single-country funds may be subject to a higher degree of market risk than diversified funds because of concentration in a specific industry, sector or geographic location. Pandemics and other public health emergencies can result in market volatility and disruption.

Investment involves risk. Past performance is no guarantee of future results. The value of an investment in the Fund can go down as well as up. The information contained herein has been derived from sources believed to be reliable and accurate at the time of compilation, but no representation or warranty (express or implied) is made as to the accuracy or completeness of any of this information. Matthews Asia and its affiliates do not accept any liability for losses either direct or consequential caused by the use of this information.

As a non-diversified fund, the Fund may invest a larger portion of its assets in fewer issuers, which, if it does, would result in the portfolio having a larger concentration in a smaller number of securities which makes it more vulnerable to adverse economic, geopolitical, and/or regulatory events. Non-diversified funds as a general rule are more susceptible to market risks which can lead to potentially greater fluctuations in their value than an investment in a diversified fund..

The views and information discussed herein are as of the date of publication, are subject to change and may not reflect current views. The views expressed represent an assessment of market conditions at a specific point in time, are opinions only and should not be relied upon as investment advice regarding a particular investment or markets in general. Such information does not constitute a recommendation to buy or sell specific securities or investment vehicles.

Matthews Asia is the brand for Matthews International Capital Management, LLC and its direct and indirect subsidiaries.

Matthews International Capital Management, LLC is the advisor to the Matthews Asia Funds.

Matthews Asia Funds are distributed in the United States by Foreside Funds Distributors LLC

Matthews Asia Funds are distributed in Latin America by Picton S.A.



Index Definitions

The Bloomberg European 500 Index is a free float capitalization-weighted index of the 500 most highly capitalized European companies.

The iShares MSCI Emerging Markets ETF (EEM) is an exchange-traded fund incorporated in the USA. The ETF tracks the performance of the MSCI TR Emerging Markets Index. The ETF holds emerging market stocks that can predominantly be classified as large and mid-cap.

The iShares MSCI Europe Small-Cap ETF seeks to track the investment results of an index composed of small-capitalization developed market equities in Europe.

The iShares MSCI Frontier 100 ETF seeks to track the investment results of an index composed of frontier market equities.

The MSCI All Country Asia ex Japan Index is a free float-adjusted market capitalization-weighted index of the stock markets of China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand.

The MSCI All Country Asia ex Japan Small Cap Index is a free float-adjusted market capitalization-weighted index of small cap index of the stock markets of China, Hong Kong, India, Indonesia, Japan, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand.

The MSCI All Country Asia Pacific Index is a free float-adjusted market capitalization-weighted index of the stock markets of Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, South Korea, Taiwan and Thailand.

The MSCI All Country World Index (ACWI) captures large and mid cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. With 2,489 constituents, the index covers approximately 85% of the global investable equity opportunity set.

The MSCI Australia Index is a free float-adjusted, market capitalization-weighted index of equity market performance in Australia.

The MSCI China Index is a free float-adjusted market capitalization-weighted index of Chinese equities that includes H shares listed on the Hong Kong exchange, B shares listed on the Shanghai and Shenzhen exchanges, Hong Kong-listed securities known as Red chips (issued by entities owned by national or local governments in China) and P Chips (issued by companies controlled by individuals in China and deriving substantial revenues in China), and foreign listings (e.g. ADRs).

The MSCI China All Shares Index captures large and mid-cap representation across China A-shares, B-shares, H-shares, Red-chips, P-chips and foreign listings (e.g. ADRs).

The MSCI China Small Cap Index is a free float-adjusted market capitalization-weighted small cap index of the Chinese equity securities markets, including H shares listed on the Hong Kong exchange, B shares listed on the Shanghai and Shenzhen exchanges, Hong Kong-listed securities known as Red Chips (issued by entities owned by national or local governments in China) and P Chips (issued by companies controlled by individuals in China and deriving substantial revenues in China), and foreign listings (e.g., ADRs).

The MSCI EAFE Index is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada.

The MSCI Emerging Markets (EM) Asia Index captures large and mid cap representation across 9 Emerging Markets countries. With 567 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The MSCI Emerging Markets Index is a free float-adjusted market capitalization-weighted index of the stock markets of Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, South Korea, Taiwan, Thailand, Turkey and United Arab Emirates.

The MSCI Emerging Markets Equity Index captures large and mid cap representation across 23 Emerging Markets (EM) countries. With 829 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The MSCI Emerging Markets (EM) Latin America Index captures large and mid-cap representation across 5 Emerging Markets (EM) countries in Latin America. With 110 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The MSCI Emerging Markets EMEA Index captures large and mid cap representation across 10 Emerging Markets (EM) countries in Europe, the Middle East and Africa (EMEA). With 163 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The MSCI Europe Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. The MSCI Europe Index consists of the following 15 developed market country indexes: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

Index Definitions

The MSCI Europe Small Cap Index captures small cap representation across the 15 Developed Markets (DM) countries in Europe. With 985 constituents, the index covers approximately 14% of the free float-adjusted market capitalization in the European equity universe.

The MSCI Frontier Markets Index captures large and mid cap representation across 29 Frontier Markets (FM) countries. The index includes 110 constituents, covering about 85% of the free float-adjusted market capitalization in each country.

The MSCI India Index is a free float-adjusted market capitalization index that is designed to measure the performance of the large and mid -cap segments of the Indian market.

The MSCI India Small Cap Index is designed to measure the performance of the small cap segment of the Indian market. With 253 constituents, the index represents approximately 14% of the free float-adjusted market capitalization of the India equity universe.

The MSCI Japan Index is a free float-adjusted market capitalization-weighted index of Japanese equities listed in Japan. The MSCI Japan Value Index captures large and mid cap Japanese securities exhibiting overall value style characteristics. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 173 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI Japan Index.

The MSCI Japan Growth Index is a free-float weighted equity index.

The MSCI Japan Small Cap Index is designed to measure the performance of the small cap segment of the Japanese market. With 926 constituents, the index represents approximately 14% of the free float-adjusted market capitalization of the Japan equity universe.

The MSCI Japan Value Index captures large and mid cap Japanese securities exhibiting overall value style characteristics. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 176 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI Japan Index.

The Korea Composite Stock Price Index (KOSPI) is a capitalization-weighted index of all common stocks listed on the Korea Stock Exchange.

The MSCI United Kingdom Index is a free float-adjusted market capitalization index designed to measure the performance of the large and mid-cap segments of the UK market.

The MSCI USA Index is a free float adjusted market capitalization index that is designed to measure large and mid cap US equity market performance.

The MSCI USA Small Cap Index is designed to measure the performance of the small cap segment of the US equity market. With 1,782 constituents, the index represents approximately 14% of the free float-adjusted market capitalization in the US.

The Russell 2000 index is an index measuring the performance approximately 2,000 small-cap companies in the Russell 3000 Index, which is made up of 3,000 of the biggest U.S. stocks. The Russell 2000 serves as a benchmark for small-cap stocks in the United States. The weighted average market capitalization for companies in the Russell 2000 is about US\$1.3 billion and the index itself is frequently used as a benchmark for small-cap mutual funds.

The S&P 500 Index is a broad market-weighted index dominated by blue-chip stocks in the U.S.

The S&P Bombay Stock Exchange 100 (S&P BSE 100) Index is a free float-adjusted market capitalization-weighted index of 100 stocks listed on the Bombay Stock Exchange.

The SSE Composite Index also known as SSE Index is a stock market index of all stocks that are traded at the Shanghai Stock Exchange.

The Shanghai Stock Exchange Composite Index is a capitalization-weighted index. The index tracks the daily price performance of all A-shares and B-shares listed on the Shanghai Stock Exchange.

The STOXX Europe 600 Index is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 18 countries of the European region: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

The Tokyo Stock Price Index (TOPIX) is a capitalization-weighted index of all companies listed on the First Section of the Tokyo Stock Exchange.

The TOPIX Small Index is a capitalization-weighted index designed to measure the performance of the stocks listed on the First Section of the Tokyo Stock Exchange, excluding the TOPIX 500 stocks and non-eligible stocks.

Indexes are unmanaged and it is not possible to invest directly in an index.

Carbon Emissions Reduction: A Large and Diverse EM Opportunity Set

No solving climate change without investing in Emerging Markets

THE GLOBAL CHALLENGE



>100%

EM's share in growth
in global carbon
emissions 1990-2019



90%

Low- & middle-income
countries' share in 9 million
global deaths due to pollution

THE EMERGING MARKETS SOLUTION

72%

Asia's share in global EV
battery cell production

77%

EM share in global
high-speed train network

80%

China's global share in all
stages of solar panel
manufacturing

57%

EM share in global solar
capacity

Case Study | Full Truck Alliance (FTA)

World's largest digital freight platform connecting shippers with truckers online



Enables faster, more efficient and cost-effective, transparent full truckload freight order listing and matching, creating broader access, lowering shipping costs and **reducing CO2 emissions** by reducing empty miles

Business Quality:

- FTA has a dominant market share in intercity full truck load (FTL) market in China
- Network effects mean that there are strong barriers to entry
- Online penetration is still relatively low and FTA is still in early stages of monetization
- In future less-than-truck load and intracity trucking market segments could provide further growth opportunities

Management Quality:

- Well-regarded founder created company in its current form by merging with another freight-matching platform
- Management team did a good job navigating the company through a cybersecurity review and has been judicious in allocating capital thus far

Sustainability Assessment:

- Trucking sector is a major carbon emitter; China has 4x the number of truckers and 13x the number of carriers as the U.S.
- On the environmental side, platform reduces carbon emissions by addressing empty miles by removing trucker trips to logistics parks and ensuring both to-and-fro legs of the trip are laden with cargo
- On the social side, company helps truckers find shipping orders more quickly and transparently by disintermediating several layers of middlemen and boosts productivity by saving trips to logistics park, while also aiding with smart navigation and other ancillary services

The information in this case study is presented solely to illustrate Matthews Asia's investment process. It should not be considered a recommendation of the security discussed (the "Security"), nor a representation as to whether the Security is currently held by the Fund. The results of any possible investment in the Security are not representative of the results of other investments by the Fund. Performance of the Fund and a list of current holdings as of a recent date are available at matthewsasiasia.com. **Past performance is no guarantee of future results.** The statements above are based on the beliefs and assumptions of our portfolio management team and on the information currently available to our team at the time of such statements. Although we believe that the expectations reflected in these statements are reasonable, we can give no assurance that these expectations will prove to be correct.

Source: Company data

EM is A World Leader in Providing High-Quality Affordable Health Care Products and Services

THE GLOBAL CHALLENGE

3.4 Billion

people in EM spend less than \$400 USD a year on health care on average

Per Capita Spend on Health (US\$)

- <25
- 26-50
- 51-100
- 101-300
- 301-1,000
- 1,001-5,000
- >5,000

THE EMERGING MARKETS SOLUTION

China:
Global CDMO leadership, increasingly novel therapy development

South Asia:
Global generics leadership

South Korea:
Global biosimilar & CMO leadership

Note: Map depicts 2019 total expenditure on health at average exchange rate (US\$)
Sources: Global Health Observatory, World Health Organization, 2022

Case Study | JD Health

China's leading online health care products and services company



Over half of outpatient visits in China were concentrated in just **8% of hospitals**. Online health care services like JD Health help alleviate clogged hospitals and move prescriptions out of hospitals

Business Quality:

- A best-in-class operator in China, where online sales pharmaceuticals and medical devices is less penetrated than general ecommerce
- Benefits from parent company JD's strong nationwide fulfilment and logistics network
- Its purchasing power as a leading buyer of pharmaceutical products in China translates into cheaper prices and safer products for consumers driving market share and profitability
- Online health care provides growth optionality

Management Quality:

- Management teams have had good execution track record
- Talent moves between JD and JD Health, further strengthening the cooperation between the two companies

Sustainability Assessment:

- In a rapidly ageing society provision of high quality, timely, affordable, reliable, safe and convenient health care products and services is paramount
- As China ages there is an increased need for health care products and services to be delivered closer home. JD Health enables this through its technology innovation and supply chain capabilities
- Primary health care needs are very underserved in China where large hospitals shoulder a disproportionate burden of providing them. Online consultations are a great antidote to this.

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Source: Company data

Emerging Markets Lead the World in Scaling Up Financial Inclusion

THE GLOBAL CHALLENGE

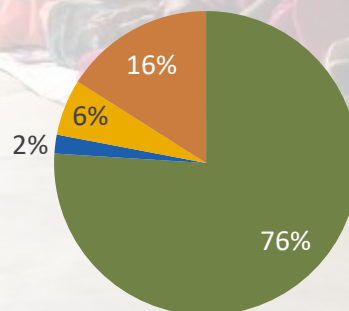
3.4 Billion

people in EM have never borrowed from formal sources

THE EMERGING MARKETS SOLUTION

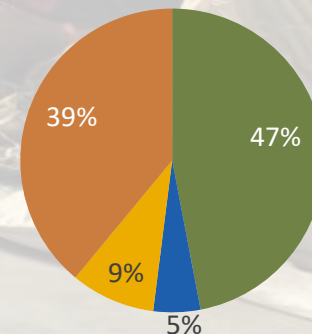
MICRO FINANCE BORROWERS

Number of Borrowers, Millions



■ Asia
■ Middle East / Africa

Portfolio Size



■ Eastern Europe & Central Asia
■ Latam & Caribbean

Case Study | Bandhan Bank

India's largest microfinance lender



20 million customers and the strongest presence in historically underbanked east India

Business Quality:

- Loan pricing leadership enabled by a strong deposit franchise together with very strong customer relationships to drive strong growth
- Strongly capitalized and has good track record historically of managing non-performing loans in an industry prone to sharp asset quality cycles
- COVID-19 dislocation provided opportunity to increase position size
- Relatively sub-scale, low-ticket mortgage business should provide additional growth in the future

Management Quality:

- A highly regarded founder-led management team that has been further bolstered in the recent years through talent addition to mitigate key man risk and grow new lines of business

Sustainability Assessment:

- Microlending helps women entrepreneurs start and/or grow businesses and when done right, it not only empowers the woman of the household through financial independence but also improves household income and savings and leads to better nutrition, health and education outcomes for the children
- It is a powerful long-term poverty alleviation tool and a great alternative to usurious money lenders
- The company recruits high school graduates from the villages where they operate and put them through their highly regarded training program before employing them

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