



Mandatory LEA 02		Discretionary Mandatory	
Type of engagement	Individual/ internal staff engagements	Collaborative engagements	Service provider engagements
Reason for Interaction		Reason for Interaction	
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To encourage corporate transition or identify the need for a transition plan <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage. We internalise 		<ul style="list-style-type: none"> <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To encourage corporate transition or identify the need for a transition plan <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage. We internalise 	

RI TRANSPARENCY REPORT

2020

Matthews International Capital Management (Matthews Asia)

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2020 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
⚠	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		🔒	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Private							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	✓	Public							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	✓	Public							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	✓	Public							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	✓	Public							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	🔒	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership in private equity investments	🔒	n/a							✓
OO PR 01	Breakdown of property investments	🔒	n/a							✓
OO PR 02	Breakdown of property assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	✓	Private							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	✓	Private							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	🔒	n/a	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		✓	Private							✓
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 14 CC		✓	Private							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 16	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 17	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Percentage of each incorporation strategy	✓	Public	✓						
LEI 02	Type of ESG information used in investment decision	✓	Private	✓						
LEI 03	Information from engagement and/or voting used in investment decision-making	✓	Private	✓						
LEI 04	Types of screening applied	🔒	n/a	✓						
LEI 05	Processes to ensure screening is based on robust analysis	🔒	n/a	✓						
LEI 06	Processes to ensure fund criteria are not breached	🔒	n/a	✓						
LEI 07	Types of sustainability thematic funds/mandates	✓	Public	✓						
LEI 08	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 09	Processes to ensure integration is based on robust analysis	✓	Public	✓						
LEI 10	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 11	ESG issues in index construction	🔒	n/a	✓						
LEI 12	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 13	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI End	Module confirmation page	✓	-							

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	Public		✓					
LEA 06	Role in engagement process	✓	Public		✓		✓			
LEA 07	Share insights from engagements with internal/external managers	✓	Private	✓	✓					
LEA 08	Tracking number of engagements	✓	Public		✓					
LEA 09	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 10	Engagement methods	✓	Private		✓					
LEA 11	Examples of ESG engagements	✓	Private		✓					
LEA 12	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 13	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 14	Securities lending programme	✓	Private		✓					
LEA 15	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 16	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 17	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 18	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 19	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 20	Shareholder resolutions	✓	Private		✓					
LEA 21	Examples of (proxy) voting activities	✓	Private		✓					
LEA End	Module confirmation page	✓	-							

Confidence building measures				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01	Assurance, verification, or review	✓	Public							✓
CM1 02	Assurance of last year`s PRI data	✓	Public							✓
CM1 03	Other confidence building measures	✓	Public							✓
CM1 04	Assurance of this year`s PRI data	✓	Public							✓
CM1 05	External assurance	🔒	n/a							✓
CM1 06	Assurance or internal audit	🔒	n/a							✓
CM1 07	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

Matthews International Capital Management (Matthews Asia)

Reported Information

Public version

Organisational Overview

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Basic information

OO 01	Mandatory	Public	Gateway/Peering	General
-------	-----------	--------	-----------------	---------

OO 01.1 Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Other	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

Please specify

 Institutional Separate Accounts

Further options (may be selected in addition to the above)

- Hedge funds
- Fund of hedge funds

OO 02	Mandatory	Public	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

United States

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

183

OO 03 **Mandatory** **Public** **Descriptive** **General**

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04 **Mandatory** **Public** **Gateway/Peering** **General**

OO 04.1 Indicate the year end date for your reporting year.

31/12/2019

OO 04.2 Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM		27	357	071	246
Currency	USD				
Assets in USD		27	357	071	246

Not applicable as we are in the fund-raising process

OO 04.4 Indicate the assets which are subject to an execution and/or advisory approach. Provide this figure based on the end of your reporting year

Not applicable as we do not have any assets under execution and/or advisory approach

OO 06.1	Select how you would like to disclose your asset class mix.
---------	---

as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	99	0
Fixed income	1	0
Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	0	0

Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	0	0
Other (1), specify	0	0
Other (2), specify	0	0

as broad ranges

OO 06.2 Publish asset class mix as per attached image [Optional].

OO 06.3 Indicate whether your organisation has any off-balance sheet assets [Optional].

- Yes
- No

OO 06.5 Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

OO 09 **Mandatory** **Public** **Peering** **General**

OO 09.1 Indicate the breakdown of your organisation's AUM by market.

Developed Markets

34.4

Emerging Markets

63.3

Frontier Markets

2.3



Asset class implementation gateway indicators

OO 10	Mandatory	Public	Gateway	General
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OO 10.1 Select the active ownership activities your organisation implemented in the reporting year.

Listed equity – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

Listed equity – voting

- We cast our (proxy) votes directly or via dedicated voting providers
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

Fixed income SSA – engagement

- We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

Fixed income Corporate (financial) – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Fixed income Corporate (non-financial) – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

OO 11	Mandatory	Public	Gateway	General
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OO 11.1 Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

Listed equity

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - SSA

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - corporate (financial)

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - corporate (non-financial)

- We address ESG incorporation.
- We do not do ESG incorporation.

OO 12	Mandatory	Public	Gateway	General
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OO 12.1 Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Fixed Income

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

	Closing module
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Closing module

Peering questions

OO LE 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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OO LE 01.1	Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.
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Percentage of internally managed listed equities

	Passive
--	---------

0

	Active - quantitative (quant)
--	-------------------------------

0

	Active - fundamental and active - other
--	---

100

	Total
--	-------

100%

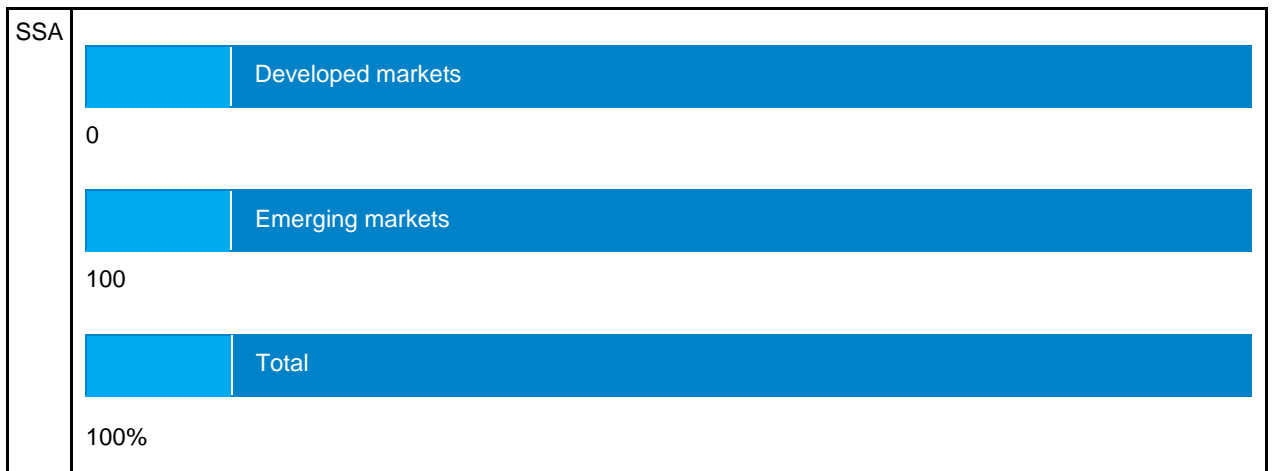
OO FI 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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OO FI 01.1	Provide a breakdown of your internally managed fixed income securities by active and passive strategies
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Update: this indicator has changed from "*Mandatory to report, voluntary to disclose*" to "*Mandatory*". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

OO FI 03.1	Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.
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	If you are invested in private debt and reporting on ratings is not relevant for you, please indicate below
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OO FI 03.2 is not applicable as our internally managed fixed income assets are invested only in private debt.

Matthews International Capital Management (Matthews Asia)

Reported Information

Public version

Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input type="checkbox"/> Formalised guidelines on environmental factors <input type="checkbox"/> Formalised guidelines on social factors <input type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

Long-Term Focus and Active Management

We believe a long-term approach is the most effective way to capitalize on Asia's evolution. We look to invest in companies whose potential has yet to be fully recognized by the market, where widely used indices are rarely representative. We employ a fundamental, bottom-up investment process that seeks to identify companies with sustainable long-term growth prospects, strong business models, quality management teams and reasonable valuations.

ESG Considerations

We believe governance influences social and environmental factors, providing a starting point for analysis across all holdings. We take a differentiated approach to ESG integration at the fund level. In addition to identifying risks, ESG factors can help identify opportunities. As incomes rise across Asia, domestic consumers will seek to improve the quality of their lives, creating opportunities for businesses.

A Client-Centric Culture

As a fiduciary, we have a legal and ethical obligation to act in our clients' best interest. This begins with understanding clients' goals and creating investment solutions designed to support those goals over the long term. It continues with maintaining and enforcing a Conflicts Policy and Code of Ethics for all employees and aligning employee incentives with clients' interests over the long term.

SG 01.5

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

A Strong Focus on Corporate Governance

Paul Matthews, founder of Matthews Asia, started our firm with a strong belief in the long-term growth potential of Asia. He also fostered a culture of carefully considering corporate governance as part of our due diligence process. We have a deep appreciation of corporate governance. Good governance is important in all companies in which we invest, and especially those located in emerging and frontier markets. When assessing management quality, we look at how well a company articulates and executes its long-term vision. We believe high-quality businesses run by capable and principled managers are healthier and more sustainable. Our business-quality assessment also includes determining the ability of a company to grow sales and profits with attractive returns over the long term.

We require trust, transparency and accountability from our investee companies. As part of our proprietary investment research, we typically consider a company's:

- Track record for allocating capital
- Board quality, diversity and composition
- Alignment of incentives for controlling shareholders, 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, our due diligence process includes meetings with one or more of the following stakeholders: company management, employees, customers, suppliers, research and civic organizations. This helps us gauge the strength and quality of management teams, as well as the viability of a company's business model. We 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, we believe identifying companies with strong corporate governance is essential to helping manage our clients' investments.

No

SG 02	Mandatory	Public	Core Assessed	PRI 6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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- Policy setting out your overall approach

URL/Attachment

- URL

URL

<https://matthewsasiasia.com/resources/docs/pdf/Responsible-Investment-Approach.pdf>

- Attachment (will be made public)

- Fiduciary (or equivalent) duties

URL/Attachment

- URL

URL

<https://matthewsasiasia.com/resources/docs/pdf/Responsible-Investment-Approach.pdf>

- Attachment (will be made public)

- Screening / exclusions policy

URL/Attachment

- URL

URL

<https://us.matthewsasiasia.com/investor-resources/content/StatementonClusterMunitions.fs>

Attachment (will be made public)

(Proxy) voting policy

URL/Attachment

URL

URL

<https://www.issgovernance.com/policy-gateway/voting-policies/>

Attachment (will be made public)

We do not publicly disclose our investment policy documents

SG 02.2

Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

URL

URL

<https://matthewsasiasia.com/resources/docs/pdf/Responsible-Investment-Approach.pdf>

Attachment

Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

URL

URL

<https://matthewsasiasia.com/resources/docs/pdf/Responsible-Investment-Approach.pdf>

Attachment

Time horizon of your investment

URL/Attachment

URL

URL

<https://matthewsasia.com/resources/docs/pdf/Responsible-Investment-Approach.pdf>

Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

<https://matthewsasia.com/resources/docs/pdf/Responsible-Investment-Approach.pdf>

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

<https://matthewsasia.com/resources/docs/pdf/Responsible-Investment-Approach.pdf>

Attachment

Active ownership approaches

URL/Attachment

URL

URL

<https://matthewsasia.com/resources/docs/pdf/Responsible-Investment-Approach.pdf>

Attachment

Reporting

URL/Attachment

URL

URL

<https://matthewsasias.com/resources/docs/pdf/Responsible-Investment-Approach.pdf>

Attachment

Understanding and incorporating client / beneficiary sustainability preferences

URL/Attachment

URL

URL

<https://matthewsasias.com/resources/docs/pdf/Responsible-Investment-Approach.pdf>

Attachment

We do not publicly disclose any investment policy components

SG 03	Mandatory	Public	Core Assessed	General
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SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
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Matthews Asia has adopted a Code of Ethics (the "Code") in order to mitigate and manage conflicts of interest that may exist or arise in connection with personal securities transactions by us or our officers and employees. Below is a brief summary of the Code. We will provide a copy of the Code to any client or prospective client upon request.

The Code contains restrictions on personal securities transactions applicable to all our officers and employees. The Code includes a standard of business conduct requiring officers and employees who are Access Persons:

- To comply with applicable laws.
- To report their personal securities transactions to our compliance department.
- To acknowledge their receipt of, and agreement to observe, the requirements of the Code.
- To report any violations of the Code to our Chief Compliance Officer ("CCO").

To reduce potential conflicts of interest, the Code prohibits all officers and employees from investing in the securities of Asia Pacific companies.

No

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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SG 05.1

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

Governance and human resources

SG 07

Mandatory

Public

Core Assessed

General

SG 07.1

Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.

Roles

- Board members or trustees
- Internal Roles (triggers other options)

Select from the below internal roles

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
- Other role, specify (1)
- Other role, specify (2)
- External managers or service providers

SG 07.2

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

To help manage risk across our strategies, we take a disciplined approach to risk management. Our Chief Investment Officer oversees key investment team functions through regular meetings and one-on-one interaction with portfolio managers and investment group leaders. Portfolio managers understand material risks in portfolios through in-depth analysis and proprietary research into our investee companies.

Additionally, our Global Head of Risk and Compliance serves as chair for our Enterprise Risk and Compliance Committee (ERCC).

The purpose of the ERCC is to assist the CEO and senior management in the oversight of the Company's risk management framework, including the strategies, policies, procedures, processes, and systems established to identify, assess, monitor, and manage the major risks facing the Company, including regulatory and compliance risks.

As part of the ERCC, we have an Investment Risk Sub-Committee (the "IRC"). The purpose of the IRC is to assist the Executive Committee/CEO in the identification, review and monitoring of investment risks to client portfolios (including market, liquidity, diversification, credit, interest rate, derivative and other risks). The IRC is not a policy or investment decision making body. Determination of internal investment guidelines, risk budgets or other investment policies, as well as supervisory authority over investment decision making, resides with the CIO subject to direction by the CEO.

Third party ESG ratings and reputational risk reports have been integrated into our internal Risk Management frameworks.

CORPORATE GOVERNANCE AND STEWARDSHIP SUB-COMMITTEE ("CG&S") OVERSIGHT

The CG&S Sub-committee was established in 2019 to oversee matters related to corporate engagement, in particular stewardship and active ownership that pertain to Matthews Asia portfolio holdings. In addition, the Sub-committee was created to promote stewardship, integration of environmental, social and governance (ESG) factors

into the investment process (ESG Integration), and to assess and advise on methods to mitigate any regulatory, reputational, legal and operational risks that may arise from decisions, actions, and representations with respect to corporate engagement. The Sub-Committee reports to the ERCC and is comprised primarily of investment team members, but also includes representatives from legal, compliance, client services and operations departments.

SG 07.3	Indicate the number of dedicated responsible investment staff your organisation has.
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Number

1.5

SG 07.4	Additional information. [Optional]
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Matthews Asia hired a dedicated ESG Analyst in October 2018.

Promoting responsible investment

SG 09	Mandatory	Public	Core Assessed	PRI 4,5
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SG 09.1	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.
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Select all that apply

Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Matthews Asia hosted a PRI Representative at our offices in August 2019 to discuss the Assessment report, as well as how to better implement and report on the Principles moving forward. Two representatives from Matthews Asia attended the PRI's 2019 Western North American PRI Symposium, on October 24th in Los Angeles. Matthews Asia staff attended the PRI in Person conference in Paris in September 2019 as well as the policy day. A de-brief for the investment team and clients was conducted upon return. Matthews Asia is also engaged in the PRI-supported KnowTheChain engagement.

Asian Corporate Governance Association

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Matthews Asia is an extremely active member in the ACGA. Matthews Asia supported and contributed to market-wide engagements promoted by ACGA in relation to the Hong Kong Stock Exchange ESG listing enhancements as well as the letter sent to the Ministry of Finance (MOF) in Japan on its proposed amendments to the Foreign Exchange and Foreign Trade Act (FEFTA).

In April 2019, Matthews Asia participated in the Korea Working Group (KWG) delegation to Seoul with other ACGA investor members. The group attended meetings with leading companies, regulatory agencies, and corporate governance experts. Regulators included the MOJ, FSC, FSS FTC, and MOEF to discuss regulatory changes to strengthen minority shareholder rights. Meetings were also held with the KRX, NPS, KCGS and other players involved in corporate governance in Korea.

In July 2019, Matthews Asia participated in the Japan Working Group (JWG) delegation to Tokyo with other ACGA investor members. The group attended meetings with leading companies, regulatory agencies, and corporate governance experts. Regulators included the MOF, METI, and FSA to discuss regulatory changes to strengthen minority shareholder rights. Meetings were also held with the JPX, the Japan Corporate Governance Network, and other players involved in corporate governance in Japan.

- Australian Council of Superannuation Investors
- AVCA: Sustainability Committee
- France Invest – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Matthews Asia supports the work of the CDP in improving corporate disclosure and is an investor member. In 2019, Matthews Asia engaged with portfolio holdings through the CDP's Non-Disclosure Campaign. We signed onto 30 letters (and were a lead investor on one company) which asked them to disclose more information related to environmental risk around climate change, deforestation, and water. Engagement was relatively successful as eleven of the thirty companies that we sent letters to submitted questionnaires to the CDP. Six of those eleven were specifically targeted to answer these questionnaires in 2019.

- CDP Forests

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Matthews Asia supports the work of the CDP in improving corporate disclosure and is an investor member. In 2019, Matthews Asia engaged with portfolio holdings through the CDP's Non-Disclosure Campaign. We signed onto 30 letters (and were a lead investor on one company) which asked them to disclose more information related to environmental risk around climate change, deforestation, and water. Engagement was relatively successful as eleven of the thirty companies that we sent letters to submitted questionnaires to the CDP. Six of those eleven were specifically targeted to answer these questionnaires in 2019.

- CDP Water

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Matthews Asia supports the work of the CDP in improving corporate disclosure and is an investor member. In 2019, Matthews Asia engaged with portfolio holdings through the CDP's Non-Disclosure Campaign. We signed onto 30 letters (and were a lead investor on one company) which asked them to disclose more information related to environmental risk around climate change, deforestation, and water. Engagement was relatively successful as eleven of the thirty companies that we sent letters to submitted questionnaires to the CDP. Six of those eleven were specifically targeted to answer these questionnaires in 2019.

- CFA Institute Centre for Financial Market Integrity
- Climate Action 100+
- Code for Responsible Investment in SA (CRISA)
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- HKVCA: ESG Committee
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Matthews Asia attended the International Corporate Governance Network's February 2019 conference. Matthews Asia's ESG Analyst is a faculty member of the ICGN ESG Integration Course and taught a module for the ICGN's ESG integration training program. Matthews Asia formally became a member of ICGN in June 2019. Matthews Asia attended the International Corporate Governance Network's Annual conference in Tokyo in July 2019. Matthews Asia's ESG Analyst is a faculty member of the ICGN ESG Integration Course and taught a module for the ICGN's ESG integration training program in Japan.

- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Financial Action in the 21st Century
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

US SIF

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Matthews Asia is a member of US SIF.

- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 10

Mandatory

Public

Core Assessed

PRI 4

SG 10.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes

SG 10.2

Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

- Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)

Description

In-person presentations for investment advisers at conferences as well as webcasts.
 What's Driving ESG Investing in Asia, Hosted by Investment News May 2019
 The Drivers of ESG Investing in Asia, Boston round-table event Dec 2019

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other
- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment

Description

International Corporate Governance Network (ICGN) Amsterdam Feb 2019 ESG Integration Course
 Pension & Investments, Webinar - Emerging markets: Balancing risk and volatility for long-term gain, April 2019
 Global Investment Conference, Canadian Investment Review, Asia's ESG evolution: Leadership and opportunity presentation, April 2019, Victoria, B.C. Canada
 SASB AICPA Event at Bloomberg 'Investor Demand and Use of ESG Data' May 2019 San Francisco
 ESG Event with CFA Institute San Francisco 'ESG Panel: Trends, Challenges, Actionable Ideas' May 2019
 ICGN Annual Conference July 2019 in Tokyo, Matthews Asia staff taught ESG integration course
 Roundtable on Asia ESG, Schwab, Denver Nov 2019
 First Affirmative Advisor Summit Colorado Springs Nov 2019 Matthews Asia was a keynote speaker
 SRI30 Conference in Colorado Springs Nov 2019 (Matthews Asia was a sponsor and presenter)
 2019 Sustainable Investing Conference hosted by Gitterman Wealth at the UN in New York City Dec 2019 (Matthews Asia was both included in keynote and panel presentations and was a conference sponsor)
 Media: ESG Opportunities in China RIA Channel Interview Dec 2019

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Wrote and published in-house research papers on responsible investment

Description

Matthews Asia Snapshot, Vivek Tanneeru's Green Streak, May 2019
Matthews Asia 'Corporate Governance in China: Progress and Participation in Profits' Dec 2019

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Encouraged the adoption of the PRI
- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
- Wrote and published articles on responsible investment in the media

Description

LinkedIn "Four questions on ESG topic for Kathlyn Collins from Matthews Asia" by Karel Krticka, July 2019
Quoted in Bloomberg 'Billionaire Uniqlo Founder Wants a Woman to Succeed Him as CEO' Sept 4, 2019
Greenmoney Journal, Oct 2019, Matthews Asia ESG Fund Looks Beyond ESG Integration

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- A member of PRI advisory committees/ working groups, specify
- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
- Other, specify
- No

Outsourcing to fiduciary managers and investment consultants

SG 12

Mandatory

Public

Core Assessed

PRI 4

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1

Indicate whether your organisation uses investment consultants.

- Yes, we use investment consultants
- No, we do not use investment consultants.

ESG issues in asset allocation

SG 13

Mandatory

Public

Descriptive

PRI 1

SG 13.1

Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, in order to assess future ESG factors
- Yes, in order to assess future climate-related risks and opportunities

Describe

Matthews Asia conducted a climate impact assessment of its aggregate portfolio across all strategies based on portfolio holdings at the end of 2019 which included scenario analysis.

- No, our organisation does not currently carry out scenario analysis and/or modelling

SG 13.2

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 13.3

Additional information. [OPTIONAL]

As part of our ESG integration process, the firm expects investment team members to receive training on how to incorporate ESG factors, including those related to climate, into modeling. Portfolio managers and analysts have discretion to determine whether such factors can be modeled, for example, using carbon prices or adjusting discount rates for risk/opportunity.

Asset class implementation not reported in other modules

SG 16	Mandatory	Public	Descriptive	General
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SG 16.1	Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
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Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Fixed income - SSA	Public Sector Governance (the ability to repay debt) is the ESG area assessed most closely in terms of our SSA assets. When assessing the corporate governance of sovereigns and quasi government entities, we typically assess factors such as national balance sheet transparency, ease of doing business, security and political stability, rule of law, measures of social development and cohesion, demographic trends, human rights, natural resources and environmental stress levels.
Fixed income - Corporate (financial)	Corporate Governance is the ESG area assessed most closely. Please refer to RI approach.
Fixed income - Corporate (non-financial)	Corporate Governance is the ESG area assessed most closely. Please refer to RI approach.

SG 16.2	Additional information [Optional].
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Portfolio Targets. Matthews typically sets portfolio targets across key parameters including currency, interest rate exposure, credit exposure, and asset type. Currency decisions are driven by the appreciation or depreciation potential of particular currencies. Duration decisions are made by comparing relative interest rates, the strategy employed to achieve that duration, and anticipated changes in relative interest rates. Credit allocation decisions are made by overweighting or underweighting exposures to different credit qualities. Finally, asset allocation decisions are made based on the relative attractiveness of various asset classes including sovereign, corporate, and convertible securities.

Idea Generation. After setting portfolio targets, Matthews typically generates investment ideas internally through its focus on the fundamentals of securities, issuers and markets. Matthews identifies a core investable universe consisting primarily of instruments issued by governments, quasi-governmental entities, supra-national institutions and companies in the Asian region. This universe may include instruments denominated in local currencies and other currencies (including U.S. dollars, euro, Chinese yuan, British pound and Japanese yen). Matthews narrows this investable universe based on a fundamental analysis of the issuer. For corporate issuers, this includes a financial statement analysis of cash flows, profit margins, leverage and other factors. For governmental and quasi-governmental issuers, Matthews' analysis includes debt sustainability factors, inflation and currency stability.

Issuer Selection. After narrowing the investable universe, Matthews conducts a deeper review of issuers and securities to address the critical uncertainties that may surround an investment opportunity. For corporate bonds, Matthews considers the sustainability of the issuer's capital structure in the context of its business model. The process typically involves an analysis of financial statements, meetings with management and stakeholders, and a review of the legal, regulatory and competitive environments in which the issuer operates and the security is issued. The analogous process for governmental, quasi-governmental and supra-national issues includes an analysis of fundamental factors, which may include consumption trends, investments, government spending, exports, imports, employment, credit growth, inflation, monetary policy, currency stability, debt sustainability, political development and stability, and legal, regulatory and market structures.

Security Selection. The primary driver of security selection is Matthews' relative conviction along the key dimensions of credit, interest rate, and currency. For issuers of whom Matthews has developed a favorable investment thesis along all three dimensions, Matthews may hold local-currency denominated and/or foreign-currency denominated bonds of the same underlying issuer. Matthews seeks to identify securities of an issuer (whether governmental,

quasi-governmental or corporate) that will help Matthews achieve each strategy's investment objective within the context of its overall portfolio construction. Relative value analysis is another critical component in security selection. Relative value analysis seeks to identify securities that are undervalued or overvalued: (i) compared to securities of similar issuers, (ii) compared to securities of the same issuer at different parts of the yield curve, and (iii) compared to securities of the same issuer in different parts of the issuer's capital structure.

Although we seek to develop the conviction to invest in issuers for the long term, many factors may result in selling a security. These factors include client needs for liquidity, economic, political or market events (e.g., changes in financial or credit conditions or military action), changes in relative valuation (to both an issuer's growth prospects and to other issuers) or management malfeasance or other unethical conduct. We constantly monitor valuations in the context of growth expectations and we typically will trim positions where valuations have risen significantly, rather than sell a holding outright. Generally, our long-term investment horizon leads to reduced portfolio turnover.

Communication

SG 19

Mandatory

Public

Core Assessed

PRI 2, 6

SG 19.1

Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

Listed equity - Incorporation

Do you disclose?

- We do not proactively disclose it to the public and/or clients/beneficiaries
- We disclose to clients/beneficiaries only.
- We disclose it publicly

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL	
Disclosure to public and URL	<input checked="" type="radio"/> Broad approach to ESG incorporation <input type="radio"/> Detailed explanation of ESG incorporation strategy used
Frequency	<input type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested
URL	https://matthewsasiasia.com/responsible-investment

Listed equity - Engagement

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

Disclosure to clients/beneficiaries	
	<p>Disclosure to clients/beneficiaries</p> <p><input type="checkbox"/> Details on the overall engagement strategy</p> <p><input type="checkbox"/> Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals</p> <p><input type="checkbox"/> Number of engagements undertaken</p> <p><input type="checkbox"/> Breakdown of engagements by type/topic</p> <p><input type="checkbox"/> Breakdown of engagements by region</p> <p><input type="checkbox"/> An assessment of the current status of the progress achieved and outcomes against defined objectives</p> <p><input checked="" type="checkbox"/> Examples of engagement cases</p> <p><input type="checkbox"/> Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.)</p> <p><input type="checkbox"/> Details on whether the provided information has been externally assured</p> <p><input type="checkbox"/> Outcomes that have been achieved from the engagement</p> <p><input type="checkbox"/> Other information</p>
	<p>Frequency</p> <p><input type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input checked="" type="checkbox"/> Ad-hoc/when requested</p>

Listed equity – (Proxy) Voting

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL	
Disclosure to public and URL	<input checked="" type="radio"/> Disclose all voting decisions <input type="radio"/> Disclose some voting decisions <input type="radio"/> Only disclose abstentions and votes against management
Frequency	<input type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc/when requested
URL	https://us.matthewsasia.com/resources/docs/pdf/literature/proxy-voting-record.pdf

Matthews International Capital Management (Matthews Asia)

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

ESG incorporation in actively managed listed equities

Implementation processes

LEI 01	Mandatory	Public	Gateway	PRI 1
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LEI 01.1

Indicate which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities; and the breakdown of your actively managed listed equities by strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

- Screening alone (i.e., not combined with any other strategies)
- Thematic alone (i.e., not combined with any other strategies)
- Integration alone (i.e., not combined with any other strategies)

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	
	99.8

- Screening and integration strategies
- Thematic and integration strategies

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	
	.2

- Screening and thematic strategies
- All three strategies combined
- We do not apply incorporation strategies

Total actively managed listed equities

100%

Our mission is to champion Asia investment solutions designed to build wealth for our global clients over the long-term. As an engaged shareholder in our portfolio companies, we seek to foster their sustainability-and profitability. We also strive to be good global neighbors and citizens. We believe Asia's growing inclusion in global financial markets can help drive the growth of Asia's regional economies, laying the groundwork for continued progress and development in countries where we invest. This progress requires a healthy environment where people can live and work. Progress also requires a broad middle class supporting economic growth and social inclusion. Additionally, economic progress is supported by transparent corporate governance structures that can help attract domestic and international capital. While working diligently to help our clients reach their financial goals, we are mindful of the role of capital in shaping the world we want to live in.

Environmental, social and governance factors are often synonymous with long-term investing. Accordingly, ESG factors tend to be highly compatible with our bottom-up, fundamental investment process. We see at least two potential benefits to investing with a long-term view. Companies focused on the long-term may be better equipped to identify future growth opportunities ahead of competitors. This helps companies invest in research and development, production and marketing resources ahead of time and proactively create new growth opportunities or benefit significantly when those opportunities materialize. In addition, companies that look ahead can scan the horizon for long-term threats to their businesses. These forward-looking companies can potentially invest in mitigating strategies and address material risks to their long-term prospects more effectively.

Corporate governance is the ESG factor we look at most closely across all our portfolios. We believe governance influences social and environmental factors, providing a starting point for analysis. Poor corporate governance will most likely exclude a company from consideration for our portfolios. However, we generally do not employ negative screens based on environmental or social factors. In addition, our portfolios are typically not constrained by sector or industry, and often look quite different from our benchmarks. In-depth knowledge of local markets helps us to evaluate and prioritize ESG-related risks according to their potential impact on portfolios. In some of our portfolios, ESG considerations may rank high. In other portfolios, ESG considerations may be simply one set of inputs among many that we consider as part of our fundamental research.

Good governance is important in all markets where we invest, and especially so in emerging and frontier markets. When assessing management quality, we look at how well a company articulates and executes its long-term vision. We believe high-quality businesses run by capable and principled managers are healthier and more sustainable. Our business-quality assessment also includes determining the ability of a company to grow sales and profits with attractive returns over the long term. We require trust, transparency and accountability from our investee companies. As part of our proprietary investment research, we typically consider a company's:

- Track record for allocating capital
- Board quality, diversity and composition
- Alignment of incentives for major shareholders, minority shareholders and managements
- History of protecting minority stakeholder rights, especially in a crisis
- Ability to attract and retain talent, and
- Exposure to regulatory, market and other risks.

To help develop a 360-degree view of investee companies, our due diligence process includes meetings with one or more of the following stakeholders: company management, employees, customers, suppliers, research and civic organizations. This helps us to gauge the strength and quality of management teams, as well as the viability of a company's business model. We 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, we believe identifying companies with strong corporate governance is essential to help manage our clients' investments.

In addition to identifying risks, ESG factors can help to identify opportunities. As incomes rise across Asia, domestic consumers will naturally seek to improve the quality of their lives, creating opportunities for businesses alert to this trend. Governments across Asia are also focused on improving the quality of their economic growth, which may involve closer regulation of environmental and social issues. We believe Asia's response to ESG challenges will have a major impact on businesses worldwide. Companies that ignore consumer preferences may miss out on business opportunities, while those that ignore regulatory risks may face higher regulatory costs and risk damaging their brands. In contrast, companies with strong or improving ESG track records may find it easier to attract capital from increasingly sophisticated, institutional capital market participants.

Through our fundamental approach to investment research, we seek to understand our portfolio companies very well. In some cases, we may consider companies that faced ESG challenges in the past but are now improving. Inflection points, such as companies taking positive steps to improve their corporate governance structures, can present attractive buying opportunities. As a result, we are open to investing in technologies and industries that can help bridge the gap toward better ESG solutions, but only after careful research, analysis and due diligence.

Matthews Asia ESG Strategy

The strategy seeks to meet its investment objective by investing in well-governed Asian companies that we believe make human or business activity less destructive to the environment, as well as businesses that promote positive social and economic developments. The strategy also invests in companies that proactively manage the long-term risks associated with these challenges. It is both a positive outcome oriented strategy, as well as an ESG integrated strategy. As of the end of 2019, this strategy's AUM represented approximately .2% of the firm's total AUM.

(B) Implementation: Thematic

LEI 07	Mandatory	Public	Descriptive	PRI 1
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LEI 07.1 Indicate the type of sustainability thematic funds or mandates your organisation manages.

- Environmentally themed funds
- Socially themed funds
- Combination of themes

LEI 07.2 Describe your organisation's processes relating to sustainability themed funds. [Optional]

Matthews Asia ESG Strategy

The Matthews Asia ESG strategy seeks to achieve its investment objective by investing in Asian companies that we believe are well governed and make human or business activity less destructive to the environment, as well as businesses that promote positive social and economic developments. The strategy also seeks to invest in companies that proactively manage the long-term risks associated with these challenges.




The Matthews Asia ESG strategy defines ESG integration as taking an "investment-first" approach to building an ESG portfolio. This means that companies must first be identified as sound long-term investments before we start to look at their ESG record.

The Matthews Asia ESG strategy takes a non-exclusionary approach to investing and seeks to invest in companies that improve quality of life over the long-term. This includes companies that operate with low environmental footprint, or strong labor practices and/or offer services and products that reduce environmental impact, promote inclusion, enhance health, and provide societal benefits while offering solutions within the context of the sectors and countries they operate in. A natural result of this approach is that there are sectors and industries that we are far less likely to invest in, such as oil, tobacco, defense, gambling and alcohol. However, we will consider companies that we believe are truly transformative and act as leaders of change.

(C) Implementation: Integration of ESG factors

LEI 08	Mandatory	Public	Core Assessed	PRI 1
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LEI 08.1 Indicate the proportion of actively managed listed equity portfolios where E, S and G factors are systematically researched as part of your investment analysis.

ESG issues	Proportion impacted by analysis
Environmental	 <p>Environmental</p> <p> <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> 51-90% <input type="radio"/> >90% </p>
Social	 <p>Social</p> <p> <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> 51-90% <input type="radio"/> >90% </p>
Corporate Governance	 <p>Corporate Governance</p> <p> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90% </p>

LEI 08.2 Additional information. [Optional]

We require trust, transparency and accountability from our investee companies. As part of our proprietary investment research, we typically consider a company's:

- Track record for allocating capital
- Board quality, diversity and composition
- Alignment of incentives for major shareholders, minority shareholders and managements
- History of protecting minority stakeholder rights, especially in a crisis
- Ability to attract and retain talent
- Exposure to regulatory, market and other risks.

To develop a 360-degree view of investee companies, our due diligence process includes meetings with one or more of the following stakeholders: company management, employees, customers, suppliers, research and civic organizations. This helps us gauge the strength and quality of management teams, as well as the viability of a company's business model. We 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, we believe identifying companies with strong corporate governance is essential to helping manage our clients' investments. We believe governance influences social and environmental factors, providing a starting point for analysis. Having a deep history of analyzing Asian countries' governance and regulatory environments helps us shed light on potential environmental and social risks inherent in companies.

LEI 09	Mandatory	Public	Core Assessed	PRI 1
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LEI 09.1 Indicate which processes your organisation uses to ensure ESG integration is based on robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Third-party ESG ratings are updated regularly
- A periodic review of the internal research is carried out
- Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team
- ESG risk profile of a portfolio against benchmark
- Analysis of the impact of ESG factors on investment risk and return performance
- Other; specify
Our due diligence process includes meetings with one or more of the following stakeholders: company management, employees, customers, suppliers, research and civic organizations.
- None of the above

LEI 09.2 Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your integration strategy.

- <10%
- 10-50%
- 51-90%
- >90%

LEI 09.3 Indicate how frequently third party ESG ratings that inform your ESG integration strategy are updated.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

LEI 09.5 Describe how ESG information is held and used by your portfolio managers.

- ESG information is held within centralised databases or tools, and it is accessible by all relevant staff
- ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- Systematic records are kept that capture how ESG information and research were incorporated into investment decisions
- Other; specify
- None of the above

Matthews International Capital Management (Matthews Asia)

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

LEA 01

Mandatory

Public

Core Assessed

PRI 2

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 01.1

Indicate whether your organisation has an active ownership policy (includes engagement and/or voting).

Yes

LEA 01.2

Attach or provide a URL to your active ownership policy.

Attachment provided:

URL provided:

URL

<https://us.matthewsasias.com/about-matthews/responsible-investment-approach/content/default.fs>

LEA 01.3

Indicate what your active engagement policy covers:

General approach to Active Ownership

- Conflicts of interest
- Alignment with national stewardship code requirements
- Assets/funds covered by active ownership policy
- Expectations and objectives
- Engagement approach

Engagement

- ESG issues
- Prioritisation of engagement
- Methods of engagement
- Transparency of engagement activities
- Due diligence and monitoring process
- Insider information
- Escalation strategies
- Service Provider specific criteria
- Other; (specify)
- (Proxy) voting approach

Voting

- ESG issues
 - Prioritisation and scope of voting activities
 - Methods of voting
 - Transparency of voting activities
 - Regional voting practice approaches
 - Filing or co-filing resolutions
 - Company dialogue pre/post-vote
 - Decision-making processes
 - Securities lending processes
 - Other; (specify)
 - Other
 - None of the above
- No

LEA 01.4

Do you outsource any of your active ownership activities to service providers?

- Yes
- No

Engagement

LEA 02

Mandatory

Public

Core Assessed

PRI 1,2,3

LEA 02.1

Indicate the method of engagement, giving reasons for the interaction.

Type of engagement	Reason for interaction
Individual / Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> We do not engage via service providers

LEA 02.4

Additional information. [Optional]

As stated in last year's PRI report, one of the goals for Matthews Asia in CY2019 was to initiate collaborative engagements to encourage improved/increased ESG disclosure. In 2019, sent letters to 30 companies in partnership with the CDP asking them to disclose more information on their environmental related risks.

LEA 03

Mandatory

Public

Core Assessed

PRI 2

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 03.1

Indicate whether your organisation has a formal process for identifying and prioritising engagements.

Yes

LEA 03.2

Indicate the criteria used to identify and prioritise engagements for each type of engagement.

Type of engagement	Criteria used to identify/prioritise engagements
Individual / Internal staff engagements	<div style="background-color: #0070C0; color: white; padding: 5px; margin-bottom: 10px;">Individual / Internal staff engagements</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input type="checkbox"/> Responses to divestment pressure <input type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Client request <input checked="" type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our individual engagements
Collaborative engagements	<div style="background-color: #0070C0; color: white; padding: 5px; margin-bottom: 10px;">Collaborative engagements</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Potential to enhance knowledge of ESG issues through other investors <input checked="" type="checkbox"/> Ability to have greater impact on ESG issues <input checked="" type="checkbox"/> Ability to add value to the collaboration <input checked="" type="checkbox"/> Geography/market of the companies targeted by the collaboration <input checked="" type="checkbox"/> Materiality of the ESG factors addressed by the collaboration <input checked="" type="checkbox"/> Exposure (size of holdings) to companies targeted by the collaboration <input checked="" type="checkbox"/> Responses to ESG impacts addressed by the collaboration that have already occurred <input type="checkbox"/> Responses to divestment pressure <input type="checkbox"/> Follow-up from a voting decision <input checked="" type="checkbox"/> Alleviate the resource burden of engagement <input type="checkbox"/> Consultation with clients/beneficiaries <input type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our collaborative engagement providers

No

LEA 04	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 04.1

Indicate whether you define specific objectives for your organisation's engagement activities.

Individual / Internal staff engagements	<input type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input checked="" type="radio"/> We do not define specific objectives for engagement activities carried out by internal staff
Collaborative engagements	<input type="radio"/> All engagement activities <input checked="" type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out through collaboration

LEA 05**Mandatory****Public****Core Assessed****PRI 2****LEA 05.1**

Indicate whether you monitor and/or review engagement outcomes.

Individual / Internal staff engagements	<input type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input checked="" type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out by our internal staff.
Collaborative engagements	<input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out through collaboration.

LEA 05.2

Indicate whether you do any of the following to monitor and/or review the progress of engagement activities.

Individual / Internal staff engagements	<input checked="" type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify
Collaborative engagements	<input type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify

LEA 06	Mandatory	Public	Additional Assessed	PRI 2,4
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LEA 06.1 Indicate whether your organisation has an escalation strategy when engagements are unsuccessful.

- Yes
 No

LEA 08	Mandatory	Public	Gateway	PRI 2
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LEA 08.1 Indicate whether you track the number of your engagement activities.

Type of engagement	Tracking engagements
Individual/Internal staff engagements	<input type="radio"/> Yes, we track the number of our engagements in full <input checked="" type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of collaborative engagements in full <input type="radio"/> Yes, we partially track the number of our collaborative engagements <input type="radio"/> We do not track

LEA 08.2 Additional information. [Optional]

In 2019, we had over 2,600 touchpoints throughout the region, which can include company, supplier, customer and other stakeholder meetings. In 2019, we began to track our engagement and ESG-related conversations with portfolio holdings through a note tagging system that the entire investment team can access.

(Proxy) voting and shareholder resolutions

LEA 12	Mandatory	Public	Descriptive	PRI 2
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LEA 12.1	Indicate how you typically make your (proxy) voting decisions.
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Approach

- We use our own research or voting team and make voting decisions without the use of service providers.
- We hire service providers who make voting recommendations and/or provide research that we use to guide our voting decisions.

Based on

- The service-provider voting policy we sign off on
- Our own voting policy
- Our clients' requests or policies
- Other (explain)
- We hire service providers who make voting decisions on our behalf, except in some pre-defined scenarios where we review and make voting decisions.
- We hire service providers who make voting decisions on our behalf.

LEA 12.2	Provide an overview of how you ensure that your agreed-upon voting policy is adhered to, giving details of your approach when exceptions to the policy are made.
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We perform due diligence on our proxy advisor partners on an annual basis.

LEA 12.3	Additional information.[Optional]
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For clients who delegate authority to us to vote proxies on their behalf, we have adopted written Proxy Voting Policies and Procedures ("Proxy Policies") to, retained the proxy advisory services of Institutional Shareholder Services Inc. ("ISS") and adopted ISS Proxy Voting Guidelines to assist us in exercising shareholder voting rights and evaluating shareholder proposals in light of the best interests of our clients. We also retain the services of independent proxy consultants, whose proxy voting guidelines and proxy advisory recommendations we consider, to augment research in certain markets. We have also retained ISS as our proxy voting agent to, effect proxy votes and maintain appropriate records. We may also receive research related to proxy voting from other services; however, clients may not direct us to use specific proxy voting services.

In addition to providing research and other proxy voting services, ISS offers issuers advisory and analytical services, self-assessment tools and publications. ISS has represented that those employees are not involved in ISS' analysis of filed proxy proposals or preparation of vote recommendations. Nonetheless, ISS has adopted policies and procedures to guard against and to resolve any conflicts of interest that may arise in connection with its provision of research analyses, vote recommendations and voting services to us.

For significant corporate matters, including establishing pension or profit sharing plans, proposed mergers and acquisitions, and sales of assets, ISS Proxy Voting Guidelines establish guidelines for evaluating the facts and circumstances of the particular proposal. In these circumstances, we evaluate the proposal in light of the best interests of our clients and vote accordingly.

For other, more routine matters, ISS Proxy Voting Guidelines may establish certain standards that, if satisfied, will result in a vote for or against a proposal. Routine matters include, among other matters:

- Election of directors;
- Approval of auditors;
- Approval of dividends and distributions;
- Confidential voting; and
- Limitation on charitable contributions or fees paid to professional advisors.

Even in these circumstances, we reserve the right to evaluate each proposal in light of the best interests of our clients and to vote other than as indicated by the ISS Proxy Voting Guidelines, ("Override"). For example, while we generally vote in favor of management's nominees for a board of directors, we may vote against management nominees (individually or as a slate) if we believe that the board was entrenched or otherwise not acting in the best interests of shareholders. In evaluating proxy materials, we also take into account the objectives of individual clients. As a result, we may vote in favor of a proposal for certain clients, while at the same time voting against the same proposal for other clients, ("Split Votes"). We also reserve the right to revise, alter or supplement our Proxy Policies from time to time, which may result in different votes on similar issues.

In some cases, refraining from voting on a matter submitted to shareholders is, in our view, in the best interests of our clients. For example, the cost of voting the proxy may exceed the expected benefit to the client. Similarly, voting on shareholder matters in foreign countries, particularly in emerging markets, may be subject to restrictions (including registration procedures that result in a holding becoming illiquid for a period of time) and limitations that impede or make the exercise of shareholder rights impractical. These limitations may include:

- Untimely or inadequate notice of shareholder meetings;
- Restrictions on the ability of holders outside the issuer's jurisdiction of organization to exercise votes;
- In-person voting requirements;
- Restrictions on the sale of securities for periods surrounding the shareholder meeting ("share blocking");
- The need to grant local agents powers of attorney to facilitate voting instructions;
- Proxy materials or ballots not being readily available; and
- Proxy materials or ballots not being available in English.

In addition, for clients participating in securities lending programs, security recall provisions may interfere with, or prohibit, our ability to vote on shareholder matters. In these and similar circumstances, we may not, or may be unable to, act on specific proxy matters.

We will vote on proxy matters in accordance with your specific request even if that vote would be inconsistent with our Proxy Policies and ISS Proxy Voting Guidelines or our vote for other clients. You must make your request in writing and submit it in a timely manner. For all proxy matters, contact the Proxy Voting Group at the address listed below.

In some cases, we have (or may be perceived to have) a conflict or potential conflict of interest in voting on particular matters. For example, Matthews, a member of senior management, a portfolio manager or a research analyst may do business with a particular proxy issuer or closely affiliated entity. This relationship would appear to create a material conflict with the interests of clients in how to vote proxies of that issuer. A material conflict of interest might also exist in unusual circumstances when we have actual knowledge of a material business arrangement between a particular proxy issuer and an affiliate.

Our Proxy Policies attempt to manage conflicts of interest and potential conflicts of interest by using independent consultants to monitor and apply ISS Proxy Voting Guidelines. Also, we monitor for conflicts and potential conflicts of interest circumstances. When we identify a material conflict of interest, we will take one of the following steps and vote client securities:

- In accordance with a pre-determined policy;
- Based upon the recommendations of an independent third party;
- Advise affected clients of the circumstances, seek their direction, and vote accordingly; or
- Take other action as may be appropriate in the particular circumstances.

Where one of our employees has a personal conflict in relation to an issuer, that employee will not make any recommendation with respect to voting on that issuer, or be involved in the recommendation process.

LEA 15	Mandatory	Public	Descriptive	PRI 2
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LEA 15.1

Indicate the proportion of votes participated in within the reporting year in which where you or the service providers acting on your behalf raised concerns with companies ahead of voting.

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- Neither we nor our service provider(s) raise concerns with companies ahead of voting

LEA 15.2

Indicate the reasons for raising your concerns with these companies ahead of voting.

- Vote(s) concerned selected markets
- Vote(s) concerned selected sectors
- Vote(s) concerned certain ESG issues
- Vote(s) concerned companies exposed to controversy on specific ESG issues
- Vote(s) concerned significant shareholdings
- Client request
- Other

LEA 16**Mandatory****Public****Core Assessed****PRI 2****LEA 16.1**

Indicate the proportion of votes where you, and/or the service provider(s) acting on your behalf, communicated the rationale to companies for abstaining or voting against management recommendations. Indicate this as a percentage out of all eligible votes.

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers did not abstain or vote against management recommendations

LEA 16.2

Indicate the reasons why your organisation would communicate to companies, the rationale for abstaining or voting against management recommendations.

- Vote(s) concern selected markets
- Vote(s) concern selected sectors
- Vote(s) concern certain ESG issues
- Vote(s) concern companies exposed to controversy on specific ESG issues
- Vote(s) concern significant shareholdings
- Client request
- Other

LEA 16.3

In cases where your organisation does communicate the rationale for abstaining or voting against management recommendations, indicate whether this rationale is made public.

- Yes
- No

LEA 17**Mandatory****Public****Core Assessed****PRI 2****LEA 17.1**

For listed equities in which you or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

- We do track or collect this information

Votes cast (to the nearest 1%)

%

99

Specify the basis on which this percentage is calculated

- Of the total number of ballot items on which you could have issued instructions
- Of the total number of company meetings at which you could have voted
- Of the total value of your listed equity holdings on which you could have voted
- We do not track or collect this information

LEA 17.2

Explain your reason(s) for not voting on certain holdings

- Shares were blocked
- Notice, ballots or materials not received on time
- Missed deadline
- Geographical restrictions (non-home market)
- Cost
- Conflicts of interest
- Holdings deemed too small
- Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
- Client request
- Other (explain)




LEA 18**Voluntary****Public****Additional Assessed****PRI 2****LEA 18.1**

Indicate whether you track the voting instructions that you or your service provider on your behalf have issued.

- Yes, we track this information

LEA 18.2

Of the voting instructions that you and/or third parties on your behalf have issued, indicate the proportion of ballot items that were:

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	 87.8
Against (opposing) management recommendations	 12.2
Abstentions	 0

100%

No, we do not track this information

LEA 18.3

In cases where your organisation voted against management recommendations, indicate the percentage of companies which you have engaged.

LEA 19**Mandatory****Public****Core Assessed****PRI 2****LEA 19.1**

Indicate whether your organisation has a formal escalation strategy following unsuccessful voting.

Yes

No

Matthews International Capital Management (Matthews Asia)

Reported Information

Public version

Confidence building measures

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Confidence building measures

CM1 01	Mandatory	Public	Additional Assessed	General
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CM1 01.1 Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:

- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year)
- Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year)
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
 - Whole PRI Transparency Report has been internally verified
 - Selected data has been internally verified
- Other, specify
- None of the above

CM1 02	Mandatory	Public	Descriptive	General
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CM1 02.1 We undertook third party assurance on last year's PRI Transparency Report

- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report
- None of the above, we were in our preparation year and did not report last year.

CM1 03	Mandatory	Public	Descriptive	General
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CM1 03.1 We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:

- We adhere to an RI certification or labelling scheme
- We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ESG audit of holdings
- Other, specify
- None of the above

CM1 04	Mandatory	Public	Descriptive	General
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CM1 04.1 Do you plan to conduct third party assurance of this year's PRI Transparency report?

- Whole PRI Transparency Report will be assured
- Selected data will be assured
- We do not plan to assure this year's PRI Transparency report

CM1 07

Mandatory

Public

Descriptive

General

CM1 07.1 Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

Who has conducted the verification

- CEO or other Chief-Level staff

Sign-off or review of responses

- Sign-off
- Review of responses
- The Board
- Investment Committee
- Compliance Function
- RI/ESG Team
- Investment Teams
- Legal Department
- Other (specify)

specify

Various Matthews Asia staff is involved in the PRI Reporting process. Representatives from the investment team include the CIO.