

MarketGrader New China ESG Index

The MarketGrader New China ESG Index consists of the 100 most fundamentally sound companies, with the best growth prospects, in the Consumer Discretionary, Consumer Staples, Health Care and Technology sectors that are domiciled in China. All eligible issues may be listed on any of the following exchanges: the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Hong Kong Stock Exchange, the New York Stock Exchange, or the Nasdaq Stock Market. Additionally, all Index constituents are screened according to OWL Analytics's consensus ESG ratings, with only those companies that rank above their regional median eligible for selection. The Index's objective is to provide global investors with access to China's best companies, following best practices according to consensus Environmental, Social and Governance metrics, in the country's fastest growing sectors.

Index Rules

Investable Universe

All companies domiciled in China that have received a MarketGrader Score consistently for at least six months and whose shares are listed on the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Hong Kong Stock Exchange, the New York Stock Exchange, or the Nasdaq Stock Market. Additionally, all issues traded on China's Mainland exchanges must be part of the Hong Kong Stock Connect Program. Only companies that belong to the Consumer Discretionary, Consumer Staples, Health Care and Technology sectors are eligible for selection.

Regulatory Requirements

Stocks are ineligible for Index selection if they are classified by China's regulators as "Special Treatment (ST)" stocks; if their shares have been suspended from daily trading in the last six months; if their shares cannot be owned by U.S. persons according to U.S. regulators; or if their foreign ownership on the selection date is equal to or greater than 26% of the company's free float adjusted market capitalization.

Size and Liquidity Requirements

All companies must have a minimum total market capitalization of at least USD 500 million, and a three-month average daily trading volume of USD 5 million on the Index selection date.

Selection Methodology

Index constituents are selected on the basis of the strength of their fundamentals as measured by the MarketGrader Score (0 to 100), which seeks to identify high quality companies with strong growth prospects without overpaying for their shares. Additionally, MarketGrader has partnered with OWL Analytics, a pioneer in ESG consensus ratings, to ensure the Index selects only the companies with the highest ESG scores in their regional category.

Weighting Methodology

All Index constituents are equally weighted on the Friday following the selection date and one week prior to the Index's official rebalance date.

Index Selection, Reconstitution and Rebalance Dates

The Index is reconstituted and rebalanced after the close of trading on U.S. exchanges on the third Friday of March and September. The Index constituents are selected on the Tuesday of the previous week, or ten (10) calendar days prior to the reconstitution and rebalance date.

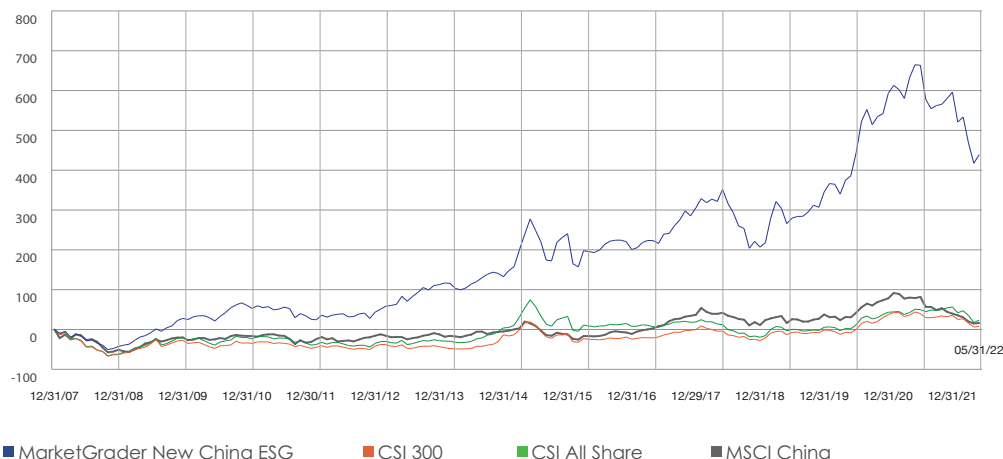
Index Calculation Agent

Refinitiv Indices.

Performance

Cumulative Total Return, Jan. 2008 - May 2022

All data as of May 31, 2022



Calendar Year Returns (%)

	MG New China ESG	CSI 300	CSI All Share	MSCI China
2022*	-22.5	-20.5	-21.2	-16.7
2021	0.4	-1.2	10.3	-19.1
2020	55.6	39.0	35.8	29.7
2019	45.1	36.8	31.2	23.7
2018	-24.3	-27.4	-32.3	-18.8
2017	34.9	32.1	10.3	54.3
2016	-11.7	-15.2	-19.0	1.1
2015	46.5	2.4	27.8	-7.6
2014	9.3	52.1	44.8	8.3
2013	48.2	-2.6	10.2	4.0
2012	14.2	10.9	7.3	23.1
2011	-21.8	-20.5	-23.9	-18.2
2010	25.8	-8.4	0.5	4.8
2009	122.2	98.5	108.0	62.6
2008	-42.5	-63.5	-61.8	-50.8

All values in USD. *YTD Values as of 05/31/22.
Sources: Owl Analytics, FactSet, MarketGrader.com

Annualized Returns (%)

	MG New China ESG	CSI 300	CSI All Share	MSCI China
3-Years	13.8	7.4	8.9	0.0
5 -Years	11.3	5.9	3.5	1.5
Since 12/31/07	12.4	0.5	1.5	1.1

Cumulative Returns (%)

	MG New China ESG	CSI 300	CSI All Share	MSCI China
3-Years	47.0	23.9	29.0	0.0
5 -Years	71.0	33.0	18.5	7.5
Since 12/31/07	439.0	8.0	24.6	16.4

Standard Deviation (%)

	MG New China ESG	CSI 300	CSI All Share	MSCI China
3-Years	21.1	19.6	19.4	19.6
5 -Years	22.4	19.4	19.8	19.6
Since 12/31/07	24.3	28.0	28.4	23.8

Sharpe Ratio

	MG New China ESG	CSI 300	CSI All Share	MSCI China
3-Years	0.66	0.38	0.46	0.00
5 -Years	0.50	0.30	0.17	0.07
Since 12/31/07	0.51	0.02	0.05	0.04

All values in USD. Frequency: Monthly.

* The MarketGrader New China ESG Index was first published on March 22, 2021. All historical values prior to that date are based on back-testing (i.e., calculations of how the index might have performed in the past if it had existed). Backtested performance information is purely hypothetical and is solely for informational purposes. "CSI" is a registered trademark of China Securities Index Co. "MSCI" brands and product names are the trademarks, service marks, or registered trademarks of MSCI or its subsidiaries in the United States and other jurisdictions. MarketGrader © 2022.

MarketGrader New China ESG Index

Index composition data as of May 31, 2022. All currency values in USD.

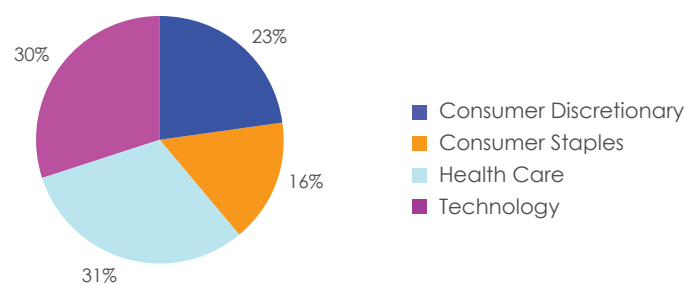
Index Bio

Average Market Cap (millions of USD)	\$16,298
Median Market Cap (millions of USD)	\$5,477
Average 3 Mo. Dollar Volume	\$102,603,700
Average 3 Mo. Trading Volume	18,591,241
Last Rebalance Date	3/21/22
Companies Replaced	40
Biggest Sector Increase	Consumer Staples
Biggest Sector Decrease	Consumer Discretionary

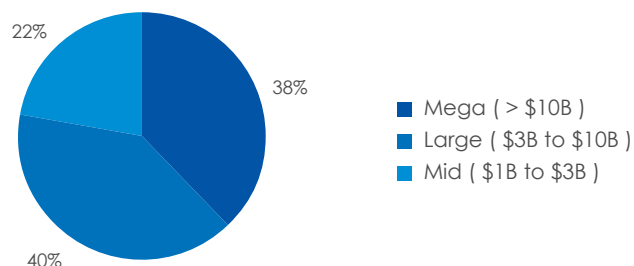
Fundamental Attributes

	Median
Trailing P/E Ratio	23.1
Forward P/E Ratio	21.2
Earnings Yield	3.8%
Price/Book Ratio	4.4
Revenue Change - 3 Years	88.8%
Operating Income Change - 3 Years	119.1%
Operating Margin	22.8%
Earnings per Share (EPS) 3-Year Growth	25.3%
Long-Term Debt to Capital	11.8%
Return on Equity	22.0%
Dividend Yield	0.85%

Sector Breakdown (Based on aggregate weight)



Market Cap Breakdown (Based on aggregate weight)



Top 20 Stocks by Fundamentals

Ticker	Name	Grade
002030.CN	Daan Gene Co., Ltd. Class A	● 93.0
603882.CN	Guangzhou Kingmed Diagnostics	● 91.0
300122.CN	Chongqing Zhifei Biological Prod-	● 85.5
000661.CN	Changchun High & New Technolo-	● 83.7
867.HK	China Medical System Holdings	● 82.5
603486.CN	Ecovacs Robotics Co., Ltd. Class A	● 81.9
002677.CN	Zhejiang Meida Industrial Co., Ltd.	● 79.9
603444.CN	G-Bits Network Technology (Xia-	● 79.0
002867.CN	Chow Tai Seng Jewelry Co. Ltd.	● 77.4
600809.CN	Shanxi Xinghuacun Fen Wine Fac-	● 77.2
002832.CN	BIEM.L.FDLKK Garment Co., Ltd.	● 76.9
000799.CN	Jiugui Liquor Co., Ltd. Class A	● 76.3
300327.CN	Sino Wealth Electronic Ltd. Class A	● 75.7
2331.HK	Li Ning Company Limited	● 75.5
002555.CN	Wuhu Sanqi Interactive Entertain-	● 75.0
300573.CN	Shenyang Xingqi Pharmaceutical	● 75.0
000568.CN	Luzhou Laojiao Company Limited	● 74.9
300316.CN	Zhejiang Jingsheng Mechanical &	● 74.8
2020.HK	ANTA Sports Products Ltd.	● 74.4
603707.CN	Nanjing King-friend Biochemical	● 74.4

Most Selections Since Inception

Ticker	Name	Times
000858.CN	Wuliangye Yibin Co., Ltd. Class A	27
700.HK	Tencent Holdings Ltd.	27
NTES	NetEase, Inc. Sponsored ADR	25
2020.HK	ANTA Sports Products Ltd.	24
000568.CN	Luzhou Laojiao Company Limited	23
002022.CN	Shanghai Kehua Bio-Engineering	21
600887.CN	Inner Mongolia Yili Industrial Group	21
002032.CN	Zhejiang Supor Co., Ltd. Class A	20
151.HK	Want Want China Holdings Limited	20
600809.CN	Shanxi Xinghuacun Fen Wine Fac-	20
002001.CN	Zhejiang NHU Co. Ltd. Class A	19
000661.CN	Changchun High & New Technolo-	19
600183.CN	Shengyi Technology Co., Ltd. Class	17
600436.CN	Zhangzhou Pientzehuang Pharma-	17
600563.CN	Xiamen Faratronic Co. Ltd. Class A	16
2331.HK	Li Ning Company Limited	16
2382.HK	Sunny Optical Technology (Group)	15
867.HK	China Medical System Holdings Ltd.	14
002677.CN	Zhejiang Meida Industrial Co., Ltd.	12
002007.CN	Hualan Biological Engineering Inc.	12