Fund Commentary Q4 2024

SATURNA CAPITAL

SATURNA
SUSTAINABLE FUNDS

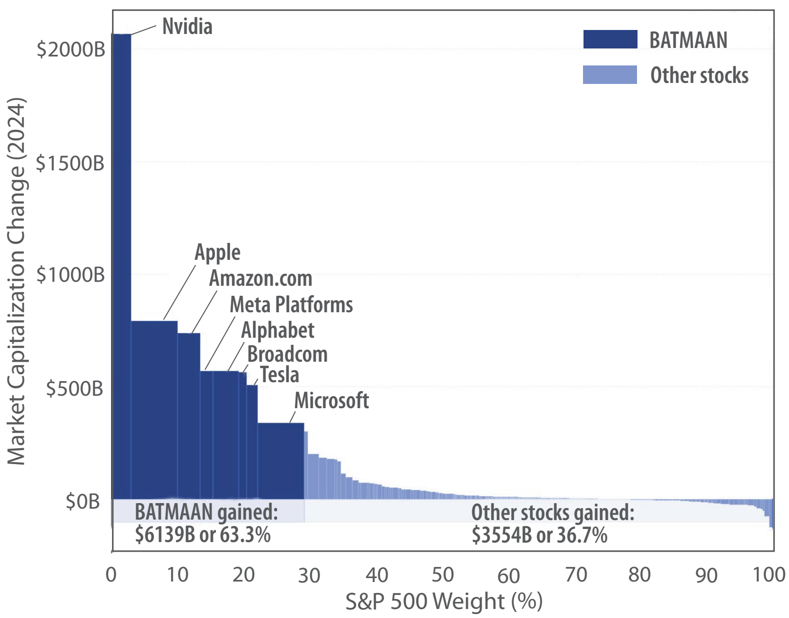
Please consider an investment's objectives, risks, charges, and expenses carefully before investing. To obtain this and other important information about the Saturna Sustainable Funds in a current prospectus or summary prospectus, please visit www.saturnasustainable.com or call toll-free 1-800-728-8762. Please read the prospectus or summary prospectus carefully before investing. Distributed by Saturna Brokerage Services, a wholly-owned subsidiary of Saturna Capital Corporation, investment adviser to the Saturna Sustainable Funds.

Another year of strong positive US equity market returns has entered the books with the S&P 500 Index gaining 25.02% and the Nasdaq Composite Index rising 29.60% for the full year ended December 31, 2024. Overseas markets were less ebullient as the STOXX Europe 600 Index gained 9.48% in euros and Japan's Topix Index rose 20.45% in Japanese yen. A strengthening US dollar meant that for dollar-based investors the overseas returns were a more modest at 2.75% and 8.0% respectively. Finally, emerging markets returned 6.50%.

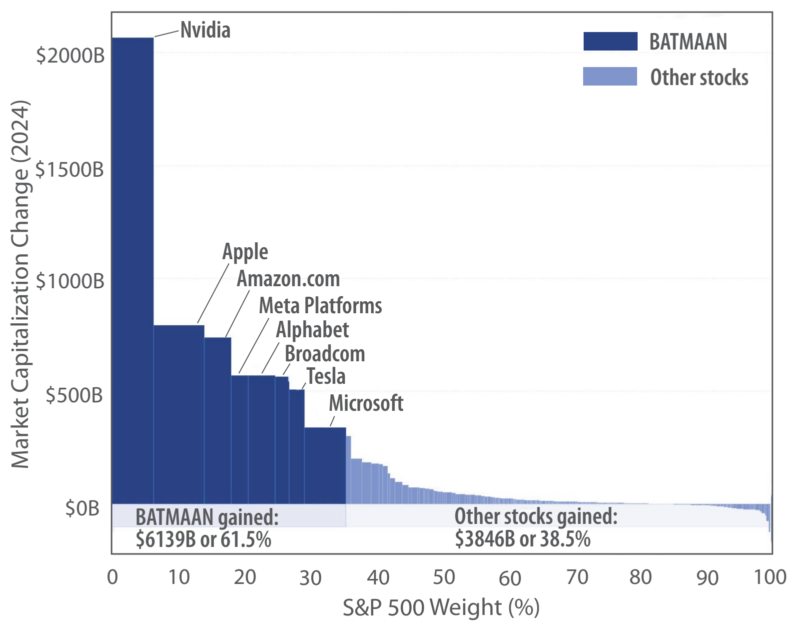
In the realms of economic performance, stock market returns, and currency strength, American exceptionalism has been on display, driven by the country's considerable lead in technological innovation and the commercialization of breakthroughs. Nobody disputes Taiwan Semiconductor's dominant position in semiconductor manufacturing or Netherlands-based ASML's leadership in semiconductor lithography, but no other country has leveraged those tools more successfully than the United States in chip design, product innovation, and pioneering new uses cases, such as artificial intelligence (AI). This leadership has resulted in the US market's unique concentration of mega-capitalization companies, which have been instrumental in propelling US index performance in recent years.

Of the ten largest market capitalization companies in the world, eight are American, with only Saudi Aramco (No. 6) and Taiwan Semiconductor (No. 10) making the cut. Moving further down the list China's Tencent appears at No. 16, and Denmark's Novo Nordisk at No. 25. Said another way, 21 of the 25 largest companies in the world by market capitalization are American. Of course, the top 25 encompasses far more than technology, with Berkshire Hathaway, Eli Lilly, Walmart, Visa, Mastercard, Costco, Proctor & Gamble, and others also included.

Market Capitalization Gains and S&P 500 Beginning Weights for 2024



Market Capitalization Gains and S&P 500 Ending Weights for 2024

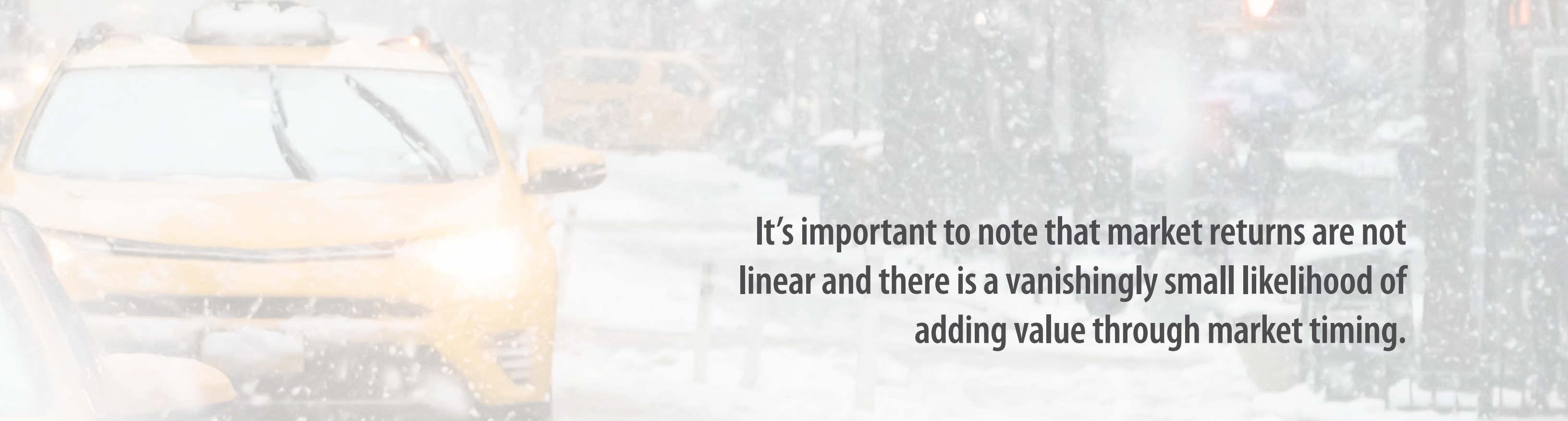


That said, while others may be playing in the same sandbox, market returns unequivocally demonstrate who are the cool kids, as we see in the charts. In the first chart the width of the bars represents the stock's weight in the S&P 500 Index at the start of the year. In the second chart, we show the weight at year end. Concentration of returns has been the dominant topic for the past 18 months, ever since Nvidia's May 2023 earnings announcement. Rather than further rehashing mega-cap market concentration issues that have been thoroughly dissected, we turn our thoughts to the future.

Outlook

Over the past 97 years (starting in 1928), the S&P 500 Index has achieved an annualized nominal return of 6.12%. The figure does not include dividends and the ability to re-invest dividends, which gives us the total return. On that basis, the compound annual growth rate of returns comes to just over 10%[1] and at that rate an investment doubles in value every eight years, providing a positive real return after inflation. Keep in mind, the past 97 years include includes the Great Depression, World War II, the stagflation of the 1970s, and the global financial crisis of 2007–2009 to name a few of the more disruptive events. Over the past ten years, the Index has achieved a total return of 13.12% and a whopping 14.61% annualized over the past five. At that pace, it takes just over five years for an investment to double in value.

Clearly the stock market has been good to retiring baby boomers. Will Gen X, millennials,



It's important to note that market returns are not linear and there is a vanishingly small likelihood of adding value through market timing.

and Gen Y fare as well? We believe the long-term answer to be yes and consider the 97-year 6.16% index return a bear case expectation given the social, political, and economic gyrations that accompanied it. Perhaps we're overly sanguine about the next 100 years but the 20th century was a tough one. That market performance has been driven by the innovation and resilience of the US economy and, as previously discussed, we expect that to continue. Today's high starting point may moderate returns on a five-year basis but consider how high the starting point was in 1928, the year prior to the stock market crash of 1929. Stock market returns are not, in the short run, correlated with economic performance but, as the history of US stock market returns demonstrates, there is a solid long-term relationship.

For 2025, there are various positive and negative crosscurrents. Returns over the past two years have pushed valuations to worryingly high levels. An initial positive market reaction to Donald Trump's victory in the presidential election has given way to directionless trading and the S&P 500 Index finished the year less than 2% higher than the day prior to the election. Some of the president-elect's policy prescriptions have raised eyebrows, such as tariffs, the elimination of taxes on tips, overtime, and Social Security, and a Bitcoin "strategic reserve." Others, including corporate income tax rate cuts and a reduced regulatory burden have been applauded.

It's likely that the failure of the market to rally in the wake of Trump's victory has less than to do with possible future policies than with the Federal Reserve's admission that they may have moved ahead of the curve in terms of rate reductions and would put future cuts on hold as they assess economic strength and inflationary resilience. Confusingly, these sentiments were communicated in tandem with a 25-basis point (bps) cut.

Separating the signal from the noise challenges investors in the best of times but becomes more difficult with an incoming administration featuring a strikingly different agenda from the outgoing team. That said, we believe there is one predictable event that will set the tone for the first months of the administration — keeping the government funded.

The risks came to the fore sooner than we anticipated with social media messages from Elon Musk and the president-elect torpedoing a bipartisan agreement to keep the government funded through March. Subsequent demands by the president-elect to eliminate the debt ceiling were rebuffed. While a third attempt to keep the government open succeeded, it's only until March. The fact that 38 Republicans voted against the incoming president's desire for an elimination of the debt ceiling demonstrates that the next round of negotiations are likely to provide fireworks and involve brinksmanship. How far the debt vigilantes are willing to go remains to be seen.

Meanwhile, the fuse has already been lit by outgoing Treasury Secretary Janet Yellen who stated to Congress that absent an agreement to raise or suspend the debt ceiling, the Treasury will have to start implementing "extraordinary measures" as soon as January 14. The debt ceiling was suspended during negotiations in 2023, but that expired with the new year.

However, we make no predictions about how any of these events will play out, nor their effects on the stock market. It's important to note that market returns are not linear and there is a vanishingly small likelihood of adding value through market timing.

Saturna Sustainable Equity Fund

In the fourth quarter of 2024, the Saturna Sustainable Equity Fund returned -4.21%, trailing the -0.56% of the S&P Global 1200 Index. The Morningstar Global Large-Stock Blend category returned -2.50% for the same period. For the full year ended December 31, 2024, the Saturna Sustainable Equity Fund returned 9.61%, lagging the 18.97% for the S&P Global 1200 Index and 13.38% for the Morningstar Global Large-Stock Blend category.

The US was again the top-performing region and a relative underweight to domestic equities contributed to our underperformance. An overweight to cash and an underweight to the top-performing Communications sector also affected results. Our benefit from a Technology overweight was partially offset by a Financials underweight.

Notable events of the fourth quarter included two Federal Reserve interest rate cuts amid an ostensible shift to easing monetary policy, and the election of erstwhile President Donald Trump. While short-term interest rates are down roughly 100bps following the first cut in mid-September, longer-dated rates are up a nearly equivalent amount. This yield curve steepening reflects fading concerns of a US recession and higher inflationary expectations.

Such reactions are at least partly explained by Trump's electoral victory. While uncertain, his policies will likely maintain the loose fiscal posture of his predecessor — boosting growth and debt issuance, all else equal. Furthermore, the shape and severity of tariffs presents additional questions and incertitude. In endeavoring to answer them, we must return to first principles: what is the goal of tariffs?

In the case of China, the goal is reduced economic dependence. Fundamental philosophical differences between the West and China, along with the latter's demographic headwinds, are reasons to rebuild China's industrial plant elsewhere. Trump would like that place to be the US. Tariffs will disincentivize the purchase of Chinese goods. However, prompting a wave of onshoring requires more carrot than stick — think legislated subsidies like the recent Infrastructure Investment and Jobs Act. Expect tariffs applied to goods with national security implications that could be reasonably near-shored, such as drones.

A crucial reality is reduced dependence on China means closer relationships with Mexico and Canada, already our top two trading partners. In the case of our neighbors, the goal seems to be crackdowns on illegal immigration and inflows of illicit drugs (e.g., fentanyl), rather than industrial relocation. The threat of tariffs is a cudgel for achieving these ends.

We believe that predictions are risks and our job as stewards is not to foretell the future, but to allocate to high-quality, resilient companies. We spent much of the fourth quarter repositioning the portfolio, allocating to more adaptable companies capable of thriving in a myriad of environments.

As of December 31, 2024

10 Largest Contributors YTD	Return	Contribution
Nvidia	171.25%	3.37
Taiwan Semiconductor	92.56%	2.22
Servicenow	50.05%	0.98
Eli Lilly	31.21%	0.78
Apple	30.70%	0.75
Schneider Electric	25.29%	0.75
Tractor Supply Company	27.13%	0.65
TJX Companies	30.56%	0.60
Broadcom	31.58%	0.57
Wolters Kluwer	18.54%	0.57

10 Largest Detractors YTD	Return	Contribution
STMicroelectronics	-49.68%	-0.98
Lululemon Athletica	-39.66%	-0.81
Adobe	-25.46%	-0.64
L'oreal	-28.10%	-0.64
Dassault Systemes	-29.34%	-0.58
Novo Nordisk	-15.93%	-0.57
Unicharm	-30.06%	-0.37
Murata Manufacturing	-21.81%	-0.25
Starbucks	-16.86%	-0.23
Ferguson Enterprises	-8.62%	-0.18

Top 10 Holdings	Portfolio Weight
Nvidia	5.60%
Taiwan Semiconductor	4.39%
Novo Nordisk	3.66%
Schneider Electric	3.54%
Wolters Kluwer	3.48%
Apple	3.16%
Eli Lilly	2.90%
ServiceNow	2.88%
CGI Group Inc Class A	2.74%
Assa Abloy	2.72%

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Saturna Sustainable Bond Fund

For the fourth quarter ending December 31, 2024, the Saturna Sustainable Bond Fund returned -2.74%, relative to -4.94% for the FTSE World Broad Investment-Grade Bond Index (WorldBIG). The one-year performance for Fund was -.74%, relative to -1.48% for the index. The primary reason for the performance differential in the fourth quarter was the Fund's shorter duration relative to the index.

As of December 31, 2024

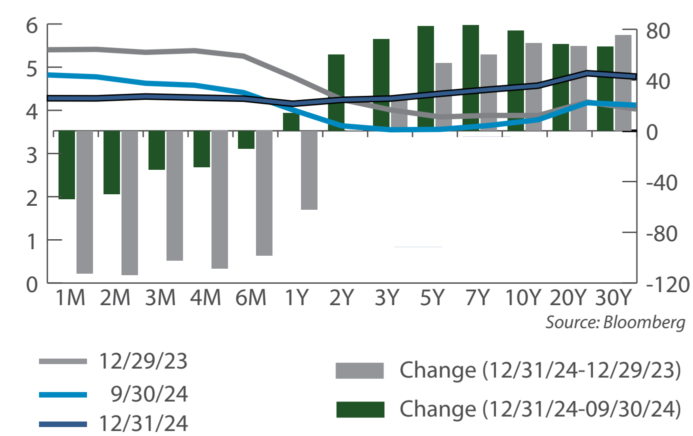
Top 10 Holdings	Portfolio Weight
State Street *(5.620180% 06/15/2047)*	5.15%
Masdar Abu Dhabi *(4.875% 07/25/2029)*	4.84%
Koninklijke *(8.375% 10/01/2030)*	4.83%
AXA *(5.125% 01/17/2047)*	4.72%
Munich RE *(1.00% 05/26/2042)*	4.33%
First Abu Dhabi Bank *(5.125% 10/13/2027)*	4.22%
United Utilities *(6.875% 08/15/2028)*	4.12%
Canadian Imperial Bank *(4.375% 10/28/2080)*	4.07%
MAF Global Securities *(7.875% 09/30/2072)*	4.02%
Natura Cosmeticos *(4.125% 05/03/2028)*	3.81%

SEBFX

After holding interest rates steady at 5.25% to 5.50% for 14 months, the Federal Reserve pivoted to rate cuts in September 2024, commencing the easing with a 50bps cut. In the fourth quarter of 2024, the Fed continued course by cutting their policy rate 25bps at both the November and December meetings. Although inflation remains higher than the Fed's target of 2% and US gross domestic product growth continues to impress, the Fed opted for further rate cuts, aiming to protect the labor market while reducing pressure on rate sensitive industries such as commercial real estate and regional banking. These dynamics led to a significant steepening of the yield curve where longer-end yields rose, contrasting the falling yields on the short-end of the curve.

Simultaneously, former President Donald Trump was reelected in November. Most market participants interpret President-elect Trump's policy as inflationary, citing tariffs, deportations, tax policy, and his preference of a low interest rate operating environment. These factors drove a recalibration of forward expectations, pointing to high domestic output, higher inflation, and fewer interest rate cuts. Together, a likely result is elevated fiscal deficits that will amplify the domestic debt burden.

Treasury Curve Yields and Change in Yields



Source: Bloomberg

Combined with an already-sturdy economy, the bond market adjusted its course, reflected by a substantial 100bps increase in 10-year Treasury note yields since the September Federal Open Market Committee meeting. In tune, longer duration securities underperformed, and shorter duration securities rallied throughout the quarter.

Maturity

The Saturna Sustainable Bond Fund had around a 9.5% exposure to bonds with maturities over 10 years, down from 11% in the third quarter. The fund reallocated over the past few months to bonds with maturities between 5–7 years, growing the positions in that maturity bucket from 7% in the fourth quarter of 2024 to around 13% at the end of the third.

Overall effective duration for the fourth quarter held stable from the third at 2.92 years. The Saturna Sustainable Bond Fund continues to maintain a significantly shorter duration versus the FTSE WorldBIG Index, which had an effective duration of 6.05 years at fourth quarter-end. This differential was the primary reason for the fund's outperformance in the fourth quarter as longer bonds generally underperformed shorter positions. The best performing bond in the fund in the fourth quarter was also the position with the shortest duration. The State Street Floating Rate bond has a negative effective duration of -.85 years and returned 6.6%.

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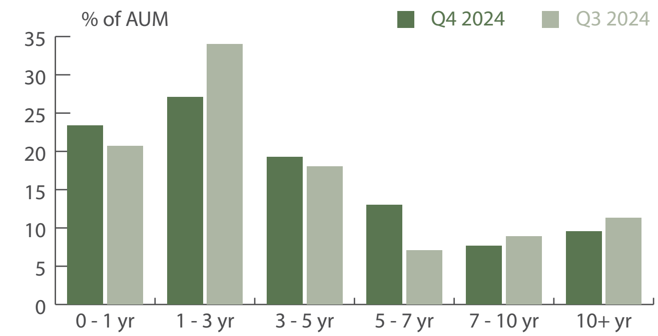
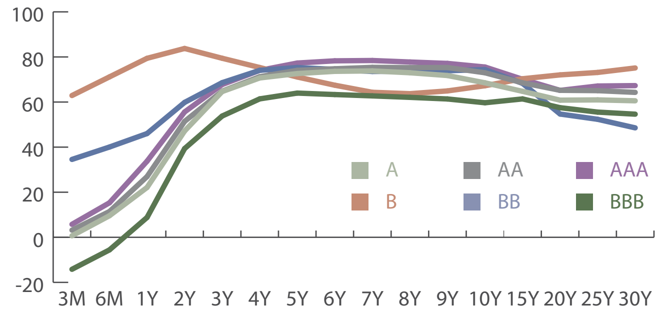
Portfolio Maturity Breakdown



Change in Corporate Yield Curve 9/30/24 – 12/31/24

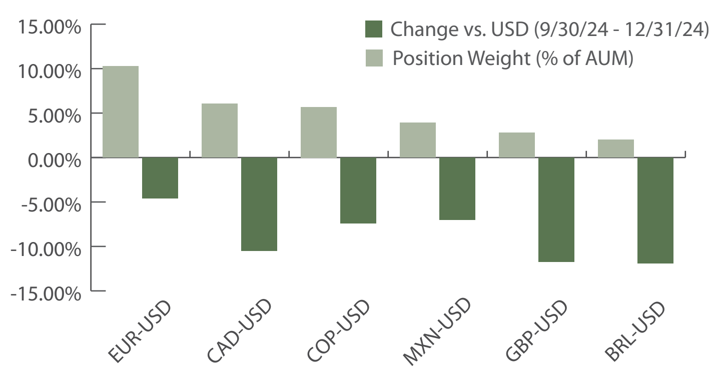


Currency

Currently the portfolio has a total exposure of 30.72% to bonds denominated in a foreign currency, down from 41.43% in the third quarter. The Mexican peso saw significant depreciation relative to the US dollar in the fourth quarter. The currency movement was the primary driver of the lower performing bonds in the Fund.

The 2026 position in the Asian Development Bank returned -11.7% in the fourth quarter. This was primarily driven by the 11.78% depreciation of the Brazilian real relative to the US dollar. The US dollar continued to be strong, with the US Dollar Index reaching 108.5 by the end of the quarter, the highest level since 2022.

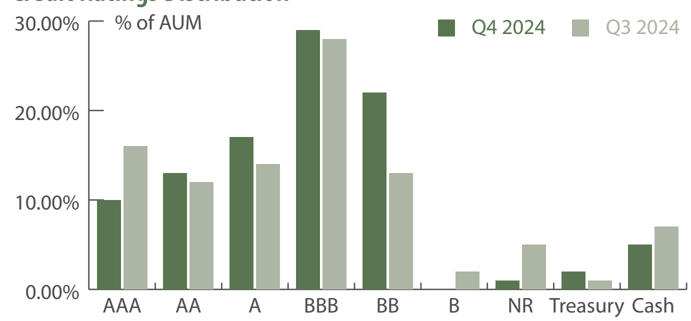
Currency Performance and Exposure



Credit Ratings

Corporate yields of all rating categories rose in parallel outside of four years. On the short end of the curve, BBB bonds had the strongest performance, with B-rated bonds showing the weakest return. The Saturna Sustainable Bond Fund increased exposure to BBB and BB-rated bonds.

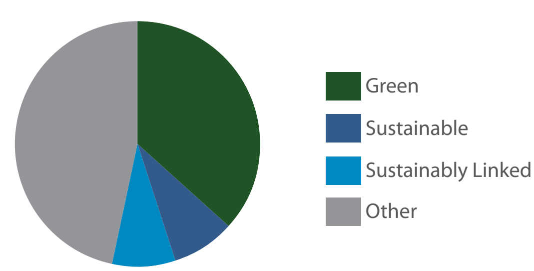
Credit Ratings Distribution



Green and Sustainable Bonds

As of quarter-end, the portfolio had 34.77% in green bonds, 7.92% in sustainable and social bonds, and 8% in sustainability-linked bonds. Green bonds are primarily used to support specific climate-related or environmental projects. Social bonds raise funds to address or mitigate a specific social issue and/or seek to achieve positive social outcomes. Sustainable bonds generally can have a wider scope that simultaneously address environmental and social ambitions. Sustainability-linked holdings are issues where the failure to meet a target (such as a reduction in carbon intensity over a specific timetable) results in increased payments to the bondholder, either through a higher payment upon the maturity of the security or through raising the bond's coupon payment.

Dedicated Use of Proceeds Bonds



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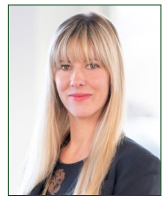

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Saturna Sustainable Equity Fund

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During October, we sold Legrand, Lululemon, and Reckitt Benckiser. We added Broadcom, Fuji Electric, Dollarama, and Canadian Pacific Kansas City (CPKC). Fuji Electric is a top industrial power supply company in Japan benefitting from near-shoring and grid modernization. Broadcom is an infrastructure software and semiconductor company whose networking silicon and chip design prowess assist hyperscalers to train and deploy ever-larger AI models. Dollarama is Canada's leading dollar store, selling affordable everyday essentials to households pressured by rising living costs. CPKC operates critical railways connecting the US, Canada, and Mexico. As previously mentioned, we believe demographic and near-shoring realities require closer economic ties between these three countries, despite the threat of tariffs.

In November, we sold Lowe's, Kenvue, and Haleon. We added Linde and NextEra. Linde is a best-in-class industrial gas company whose services are critical for onshoring and US re-industrialization. NextEra is a leading utility and renewable energy generator.

During December, we sold Unicharm and trimmed our Nintendo position. We added Prysmian and Alphabet. Prysmian is the world's largest maker of electrical and telecom cables, products necessary to upgrade and expand critical infrastructure in the US and Europe. Alphabet is the leading internet search company with a great steaming asset in YouTube.

Nvidia was our greatest contributor to performance in 2024, as their GPUs for training and running AI models remain in high demand. Taiwan Semiconductor Manufacturing Company, the company that makes Nvidia's GPUs, was our second-best contributor. Broadcom, another AI-enabler recently added to the portfolio, was our top contributor during the fourth quarter. Many companies contributing to the building blocks of AI large-language models enjoyed extraordinary returns during 2024. While the portfolio maintains exposure to the AI thematic, we added companies whose growth opportunities are not contingent on AI advancements.

STMicroelectronics was our greatest detractor in 2024, beset by weak auto and industrial end markets in the US and Europe. Lululemon was our second largest detractor, as North American sales stalled. Increased athleisure competition and a widening of future outcomes prompted us to liquidate the position. Novo Nordisk, a diabetes and weight-loss drugmaker, was our worst performer during the fourth quarter as study results from their next generation drug CagriSema failed to impress. Novo Nordisk was our top contributor last year and we remain positive on the firm's ability to innovate and treat diseases afflicting half of the US adult population.

Performance Summary

As of December 31, 2024

Average Annual Total Returns *(Before Taxes, Net of Fees)*	**YTD**	**1 Year**	**3 Year**	**5 Year**	**Since Inception**[B]	**Expense Ratio**[A] *Gross*	*Net*
Sustainable Equity Fund (SEEFX)	9.61%	9.61%	0.79%	7.22%	7.59%	0.97%	0.75%
S&P Global 1200 Index	18.97%	18.97%	6.87%	11.38%	10.44%	n/a	
S&P 500 Index	25.02%	25.02%	8.93%	14.51%	13.36%	n/a	
Sustainable Bond Fund (SEBFX)	-0.74%	-0.74%	-0.98%	0.35%	1.13%	0.83%	0.65%
FTSE WorldBIG Index	-1.48%	-1.48%	-4.57%	-2.09%	0.25%	n/a	
MSCI All Country World Index	18.02%	18.02%	5.93%	10.57%	9.75%	n/a	

[A] By regulation, expense ratios shown are as stated in the funds' most recent prospectus or summary prospectus, dated March 29, 2024, and incorporate results from the fiscal year ended November 30, 2023. Saturna Capital, the Funds' investment adviser, has voluntarily capped actual expenses of the Sustainable Equity Fund at 0.75% and actual expenses of the Sustainable Bond Fund at 0.65% through March 31, 2025.

[B] Saturna Sustainable Equity Fund and Saturna Sustainable Bond Fund began operations on March 27, 2015.

Performance data quoted herein represents past performance, which is no guarantee of future results. *Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted herein. Performance current to the most recent month-end can be obtained by visiting www.saturnasustainable.com or calling toll-free 1-800-728-8762.*

The S&P 500 is an index comprised of 500 widely held common stocks considered to be representative of the US stock market in general. The S&P Global 1200 Index is a global stock market index covering nearly 70% of the world's equity markets. The FTSE WorldBIG Index is a multi-asset, multi-currency benchmark, which provides a broad-based measure of the global fixed-income markets. The MSCI ACWI covers approximately 85% of the global investable universe, with large- and mid-cap representation across 23 developed market and 23 emerging market countries. Securities are classified as high-yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below. When available, Saturna uses total return components of indices mentioned. Investors cannot invest directly in the indices.

Endnotes to Commentary

1. Levy, A. S&P 500 Annual Returns. The Motley Fool. July 29, 2024. https://www.fool.com/investing/stock-market/indexes/sp-500/annual-returns/

Performance Summary

As of December 31, 2024

Morningstar Ratings™ C	Overall	1 Year	3 Year	5 Year	Sustainability Rating™ D
Sustainable Equity Fund (SEEFX)	★★★	n/a	★★	★★★	🌐🌐🌐🌐🌐
% Rank in Global Large-Stock Blend Category	n/a	76	86	74	*Percent Rank in Category: 5*
Number of Funds in Category	319	335	319	301	*Among 8,311 Global Equity Large Cap Funds*
Sustainable Bond Fund (SEBFX)	★★★★	n/a	★★★	★★★★	🌐🌐🌐🌐🌐
% Rank in Global Bond Category	n/a	49	36	29	*Percent Rank in Category: 11*
Number of Funds in Category	164	165	164	152	*Among 2,367 Global Fixed Income Funds*

The Morningstar Sustainability Rating is not based on fund performance and is not equivalent to the Morningstar Rating ("Star Rating").

[C] Morningstar Ratings™ ("Star Ratings") are as of December 31, 2024. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance (not including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

[D] Morningstar Sustainability Ratings are as of November 30, 2024. The Morningstar Sustainability Rating™ is intended to measure how well the issuing companies of the securities within a fund's portfolio are managing their environmental, social, and governance ("ESG") risks and opportunities relative to the fund's Morningstar category peers. The Morningstar Sustainability Rating calculation is a two-step process. First, each fund with at least 67% of assets covered by a company-level ESG score from Sustainalytics receives a Morningstar Portfolio Sustainability Score™. The Morningstar Portfolio Sustainability Score is an asset-weighted average of normalized company-level ESG scores with deductions made for controversial incidents by the issuing companies, such as environmental accidents, fraud, or discriminatory behavior. The Morningstar Sustainability Rating is then assigned to all scored funds within Morningstar Categories in which at least ten (10) funds receive a Portfolio Sustainability Score and is determined by each fund's rank within the following distribution: High (highest 10%), Above Average (next 22.5%), Average (next 35%), Below Average (next 22.5%), and Low (lowest 10%). The Morningstar Sustainability Rating is depicted by globe icons where High equals 5 globes and Low equals 1 globe. A Sustainability Rating is assigned to any fund that has more than half of its underlying assets rated by Sustainalytics and is within a Morningstar Category with at least 10 scored funds; therefore, the rating is not limited to funds with explicit sustainable or responsible investment mandates. Morningstar updates its Sustainability Ratings monthly. Portfolios receive a Morningstar Portfolio Sustainability Score and Sustainability Rating one month and six business days after their reported as-of date based on the most recent portfolio. As part of the evaluation process, Morningstar uses Sustainalytics' ESG scores from the same month as the portfolio as-of date.

The Fund's portfolios are actively managed and are subject to change, which may result in a different Morningstar Sustainability Score and Rating each month.

The Saturna Sustainable Equity Fund was rated on 96% and the Saturna Sustainable Bond Fund was rated on 87% of Assets Under Management.

Percent Rank in Category is the fund's percentile rank for the specified time period relative to all funds that have the same Morningstar category. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. The top-performing fund in a category will always receive a rank of 1. Percentile ranks within categories are most useful in those categories that have a large number of funds.

Important Disclaimers and Disclosure

This publication should not be considered investment, legal, accounting, or tax advice, or a representation that any investment or strategy is suitable or appropriate to a particular investor's circumstances or otherwise constitutes a personal recommendation to any investor. This material does not form an adequate basis for any investment decision by any reader and Saturna may not have taken any steps to ensure that the securities referred to in this publication are suitable for any particular investor. Saturna will not treat recipients as its customers by virtue of their reading or receiving the publication.

The information in this publication was obtained from sources Saturna believes to be reliable and accurate at the time of publication.

The Saturna Sustainable Funds limit the securities they purchase to those consistent with sustainable principles. This limits opportunities and may affect performance.

The S&P 500 Equal Weight Index (EWI) is the equal-weight version of the widely-used S&P 500. The index includes the same constituents as the capitalization weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance.

The STOXX® Europe 600 is a broad measure of the European equity market with a fixed number of 600 components across 17 countries and 11 industries within Europe's developed economies.

The Tokyo Price Index, commonly referred to as TOPIX, is a Japanese capitalization-weighted stock market index calculated and published by the Tokyo Stock Exchange (TSE).

Investing involves risk, including possible loss of principal. *Generally, an investment that offers a higher potential return will have a higher risk of loss. Stock prices fluctuate, sometimes quickly and significantly, for a broad range of reasons that may affect individual companies, industries, or sectors. When interest rates rise, bond prices fall. When interest rates fall, bond prices go up. A bond fund's price will typically follow the same pattern. Investments in high-yield securities can be speculative in nature. High-yield bonds may have low or no ratings, and may be considered "junk bonds." Investing in foreign securities involves risks not typically associated directly with investing in US securities. These risks include currency and market fluctuations, and political or social instability. The risks of foreign investing are generally magnified in the smaller and more volatile securities markets of the developing world.*

A fund's ***30-Day Yield****, sometimes referred to as "standardized yield" or "SEC yield," is expressed as an annual percentage rate using a method of calculation adopted by the Securities and Exchange Commission (SEC). The 30-Day Yield provides an estimate of a fund's investment income rate, but may not equal the actual income distribution rate. Without the voluntary expense cap, the 30-Day Yield for Saturna Sustainable Bond Fund would have been 4.191% and the 30-Day Yield for Saturna Sustainable Equity Fund would have been 0.269%. Unsubsidized yield does not adjust for any fee waivers and/or expense reimbursements in effect.*

Effective duration *is a measure of a fund's sensitivity to changes in interest rates and the markets. Effective duration differs from modified duration in that it accounts for the optionality embedded in call options and other security-specific covenants that can change expected cash flows as the result of the movement of interest rates. Longer durations tend to indicate greater sensitivity to interest rate changes than shorter durations.*

Variable rate securities risk: *Variable rate debt securities (which include floating rate debt securities) pay interest based on an interest rate benchmark. When the benchmark rate changes, the interest payments on those securities may be reset at a higher or lower rate and, as a result, such securities generally are less price-sensitive to interest rate changes than fixed-rate debt securities. However, the market value of variable rate debt securities may decline or not appreciate as quickly as expected when prevailing interest rates rise, particularly if their interest rates do not rise as much, or as quickly, as interest rates in general. Conversely, variable rate securities will not generally increase in market value if interest rates decline. However, when interest rates fall, there may be a reduction in the payments of interest received by the Fund from its variable rate securities.*