



2024
Amana Funds
Sustainability and
Stewardship Report



AMANA
FUNDS

What's Inside

Key Takeaways	3
Introduction	4
Key Topics and Case Studies	6
Energy Consumption and Greenhouse Gas Emissions	7
Case Study: Schneider Electric	8
Water Management	9
Case Study: Taiwan Semiconductor Manufacturing Company	10
Diversity and Inclusion	11
Case Study: ServiceNow	12
Health and Safety Management Systems	13
Case Study: Barrick Gold Corporation	14
Board Independence and Diversity	15
Case Study: Procter & Gamble	16
Ethical Business Practices	17
Case Study: Novo Nordisk	18
Amana Funds	19
About the Authors	23
Adviser Spotlight	24
About Saturna	24
Endnotes	25
Fund Ownership Percentages	26
Important Disclaimers and Disclosures	26
A Few Words About Risk	26

To learn more about the Amana Funds, and if they are a fit for your clients portfolio, please visit: amanafunds.com or call 1-800-SATURNA



Key Takeaways

1. The Amana Funds create long-term value by integrating Islamic principles with sustainability considerations, demonstrating superior performance in transparency and emissions reductions compared to the benchmark indices.
2. The Funds remain focused on reducing climate impact and maintain lower greenhouse gas emissions intensity than their peers. This is attributed to strategic sector exclusions and proactive management.
3. Although progress has been made in gender and ethnic diversity, we acknowledge ongoing challenges in achieving representation parity – particularly in leadership roles – and continue to view diversity as a driver of financial and organizational success.
4. The Funds lead in water use intensity metrics while addressing broader water risks through innovative strategies, exemplified by holdings such as Schneider Electric and Taiwan Semiconductor Manufacturing Company (TSMC), which are focused on conservation and recycling.
5. Ethical business practices are central to Amana’s investing philosophy, as we invest in companies dedicated to transparency, anti-corruption, and whistleblower protections. Holdings such as Novo Nordisk, which integrates ethical considerations across its operations, are examples of how ethical business means good business.

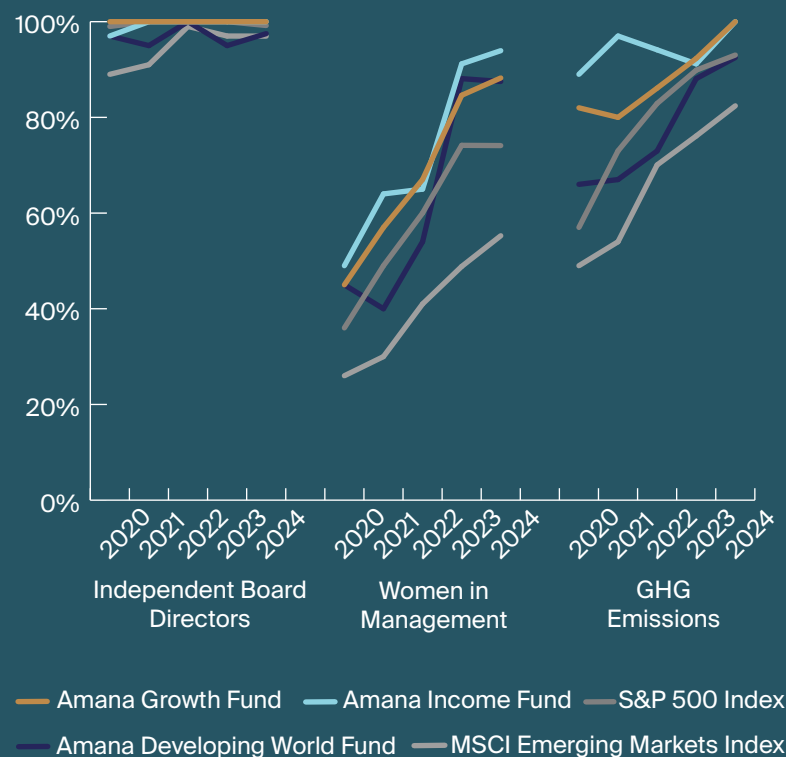
The spirit of this report is to substantiate the Amana Funds approach to sustainability, while dispelling concerns of greenwashing by holding ourselves accountable. As part of our investment philosophy, we maintain sustainability aligns with a well-run business.

We're not alone in this belief. According to KPMG's 2024 CEO survey, 74% of US CEOs expect their sustainability strategy will have "the greatest impact on driving financial performance in the next three years." At the same time, these CEOs, like us, view sustainability as a long-term driver of performance. The same survey found 60% of US CEOs expect "significant returns" from sustainability investments in the next three to five years, compared to only 24% expecting "significant returns" in the next one to three years.¹

This long-term view is why we remain focused on trends rather than single data points. As the following graphs show, disclosure rates have generally trended up for the Funds and their benchmarks. While disclosure rates may oscillate from year-to-year, particularly in the relatively concentrated Funds, the longer-

term trend of improving transparency is clear. Such trends help to remind us that sustainability is an ever-evolving journey – not simply a destination.

Percent of Companies Providing Disclosure on Emissions, Women in Management, and Board Independence



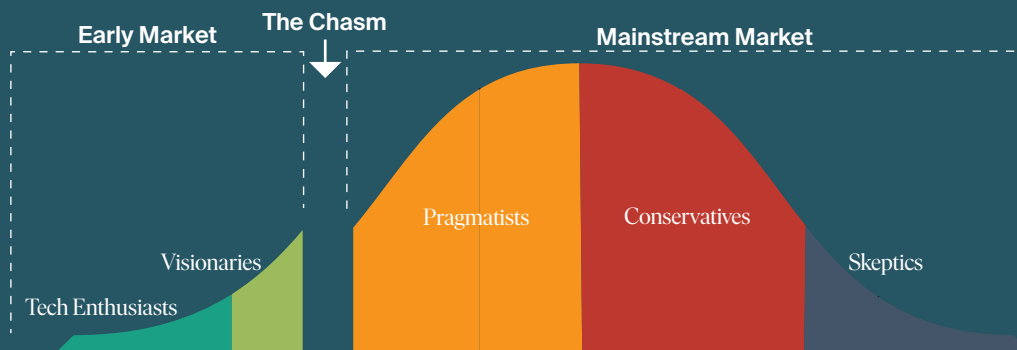
Source: Bloomberg, Refinitiv, Saturna Capital Research

As of September 30, 2024 unless noted otherwise.

Sustainable investing as well as environmental, social, and governance (ESG) criteria have become hotly politicized in recent years. However, we continue to find the underlying themes and drivers that propelled this industry’s growth over the past decade remain squarely intact. Indeed, a survey of 19,000 consumers showed 60% are more concerned about climate change than they were two years ago.² Similarly, a 2024 survey of global asset owners found 67% believed ESG has become “more” or “much more” material over the past five years. This compares to only 13% of surveyed asset owners that believe ESG has become “less” or “much less” material.³

Taking a step back, sustainable investing and, more broadly, sustainable business look to be following a common trajectory for innovation. After several years of rapid growth that inflated expectations, macro and political headwinds have led to what’s been dubbed the “chasm of despair,” or “trough of

Innovation Adoption Cycle



disillusionment.” Fear not – though some rhetoric has been hyperbolic, the pushback should be cause for self-reflection, driving the industry to be more pragmatic and appealing to the mass market.

We contend a brass-tacks approach to understanding how businesses integrate sustainability into their long-term strategy provides a useful lens into value creation. The investment process for the Amana Growth, Income, and Developing World Funds integrates sustainability considerations with Islamic principles and financial analysis to scrutinize a security’s suitability for each Fund. We believe that sustainable and Islamic principles are intrinsically aligned, focusing on long-term value creation for both society and shareowners.

While Saturna’s process favors disclosure – with the funds generally having higher disclosure rates than their respective benchmarks – we’re ultimately concerned with results. Similar to financial measures, it is important to dig into the numbers to

better understand the drivers and implications of reporting. This report aims to provide an analysis of fund sustainability performance and discuss company case studies, illuminating our approach to sustainable investing.

As of September 30, 2024 unless noted otherwise.



Key Topics and Case Studies

Energy Consumption and Greenhouse Gas Emissions

Climate change and the need to reduce global emissions provides a clear example that sustainability can be material to business. According to the International Monetary Fund, a two degrees Celsius temperature increase could raise the cost of capital by 1%, potentially cutting roughly \$6 trillion in value from the S&P 500 Index.⁴ Understanding this risk, we pay close attention to emissions at portfolio companies and how they are working to address them.

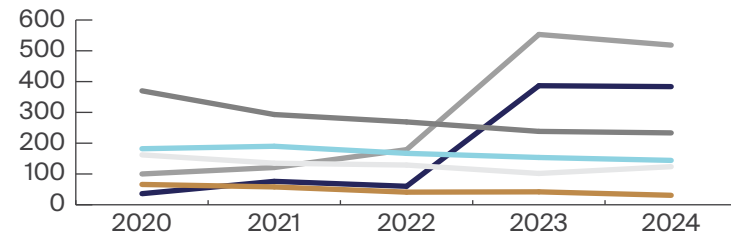
As the “Average GHG Emissions” graph shows, the Growth and Income Funds historically had significantly lower greenhouse gas (GHG) emissions intensity than the S&P 500 Index. Note that the Funds’ ESG and Islamic screens have resulted in the exclusion of high-emitting sectors such as Energy and Utilities. Thus, it’s important to compare these figures with an S&P 500 Index peer base that excludes sectors not held in the Funds. This results in the Income Fund having slightly higher emissions than the S&P 500 Index.

Two companies, Air Products and Linde, accounted for a major portion of the Income Fund’s high average emissions intensity. Air Products raised the portfolio’s average emissions intensity by 61 metric tons while Linde contributed 31 metric tons. Together, Air Products and Linde raised the portfolio’s average GHG emissions intensity from 50 to 144 metric tons per million dollars in sales. However, for every metric ton of GHG emissions produced in 2023, Air Products helped customers avoid 2.8 tons and Linde saved customers 2.4 tons.^{5,6}

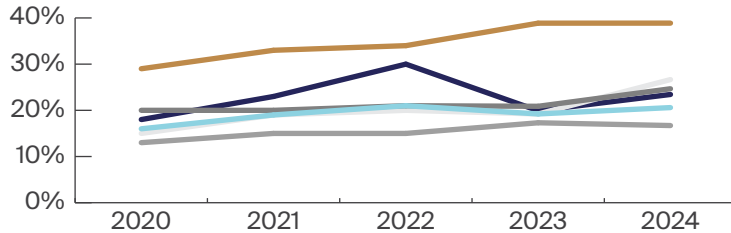
The Developing World Fund and MSCI Emerging Markets Index saw increased average emissions in 2023. For the Developing World Fund, this was largely due to the addition of UltraTech

Cement. While cement production is a high-emitting, difficult-to-decarbonize industry, it’s crucial for economic development. UltraTech’s commitment to reducing Scope 1 emissions by 27% and Scope 2 by 69% by 2032 through the Science Based Targets initiative (SBTi) mitigates apprehensions. Still, we are concerned that the company didn’t progress towards these goals in 2023. As we continue to monitor UltraTech, this case highlights that investors should consider not only low-emission companies but also those with significant potential for emissions reduction.⁷

Average GHG Emissions



Average Renewable energy Use



— Amana Growth Fund — Amana Income Fund — S&P 500 Index
 — Amana Developing World Fund — MSCI Emerging Markets Index
 — S&P 500 Index*

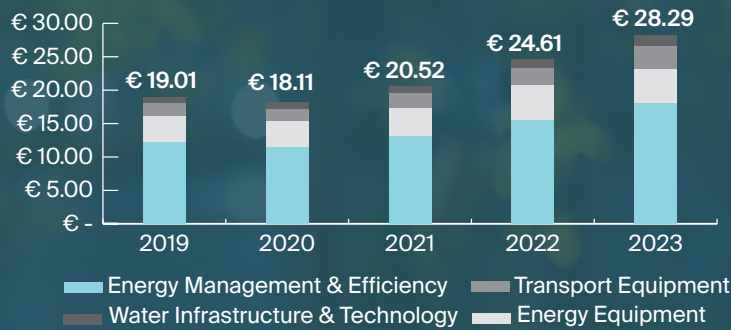
*Excludes the Energy, Utilities, Real Estate, and Financial Services.
 Source: Bloomberg, Refinitiv, Saturna Capital Research

As of September 30, 2024 unless noted otherwise.

Case Study: Schneider Electric

As a global leader in energy management and automation, **Schneider Electric** sits at the intersection of climate adaptation and mitigation. On the adaptation front, Schneider provides innovative technologies and services that help organizations prepare for and respond to the impacts of climate change. These include microgrid solutions, energy as a service software, and advanced building management systems to optimize energy use for varying climate conditions. For climate mitigation, Schneider offers electric vehicle chargers, solar inverters and power solutions, and energy efficiency software. Speaking to the business case, Schneider has seen its “Green Revenues” grow at an 8.3% compound annual growth rate (CAGR) since 2019, outpacing the wider company’s 5.7% CAGR.

Schneider Electric Climate Trends



Source: Refinitiv, Saturna Capital Research

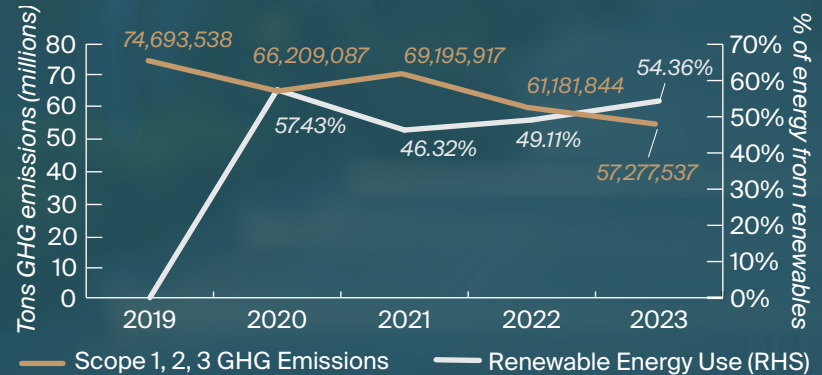
As global temperatures continue to rise and weather patterns become more extreme, Schneider is well-positioned to see increased demand for its climate-focused offerings. The company’s expertise in both adaptation and mitigation strategies

make it a valuable partner for organizations seeking to navigate the challenges of a changing climate while simultaneously working to reduce their environmental impact. To this end, Schneider has set a robust set of climate goals that includes target achievement dates.

1. **2025:** Carbon neutral in owned operations while saving customers 800 million tonnes of CO₂ emissions
2. **2030:** 25% reduction in GHG emissions across the value chain while enabling electricity access to 100 million people
3. **2040:** Carbon neutral across value chain
4. **2050:** Net-zero emissions across value chain

As of 2023, Schneider has saved customers 553 million tonnes of CO₂ emissions and decarbonized 101 out of 150 operating sites. Upstream, the company has driven a 27% reduction in CO₂ emissions from their top 1,000 suppliers.⁸ Across Scope 1, 2, and 3, the company has cut emissions by 23% since 2019.

Schneider Electric Climate Trends



Source: Refinitiv, Saturna Capital Research

As of September 30, 2024 unless noted otherwise.

Water Management

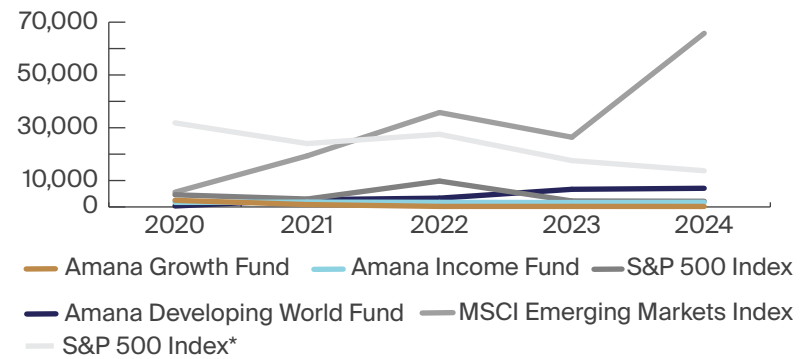
It's estimated that water and freshwater ecosystems contribute \$58 trillion directly and indirectly to the global economy, amounting to approximately 60% of global GDP.⁹ The relationship between water and growth goes beyond the typical discussion of droughts and food supply, with advanced technology's dependence on water increasingly recognized.

While much media attention surrounding artificial intelligence (AI) has focused on energy demands, the data centers required to run large language models use massive amounts of water too. From the "ultrapure" water needed to produce semiconductors to water for cooling AI servers – not to mention the extraordinary amount of water used in electricity production – water presents myriad risks to technology's breakneck advancements. In the US, data centers are among the top 10 water consuming industries and approximately 20% "draw water from moderately to highly stressed watersheds."¹⁰ Up the supply chain, an individual semiconductor manufacturing facility consumes as much water as a city of 122,000 people.¹¹

Water management encompasses everything from quality and consumption to recycling and exposure to water-stressed regions. Across these facets, operational water consumption is the most standardized metric. In the following graph, the Amana Funds demonstrate significantly lower water use intensity compared to their benchmarks, even when excluding the water-intensive Energy and Utility sectors. This superior environmental performance stems from our analytical approach, which evaluates corporate policies, targets, and their execution, prioritizing actual results over mere guidance.

Although the Developing World Fund's water use is well below its MSCI Emerging Markets Index benchmark, it's notably more than the other Amana Funds. Unlike the Income and Growth Fund, the Developing World Fund holds a utility, Meralco. This holding more than doubled the Fund's average water intensity. Importantly, Meralco returned 99.9% of the water it used.¹²

Water Use Intensity (cubic meters / \$million in sales)



**Excludes the Energy, Utilities, Real Estate, and Financial Services.
Source: Refinitiv, Saturna Capital Research*

Case Study: Taiwan Semiconductor Manufacturing Company

Taiwan Semiconductor Manufacturing Company (TSMC) is a 37-year-old semiconductor foundry. The company's headquarters and bulk of its operations are in Taiwan, a country known for its exposure to both water stress and flooding due to the island's reliance on typhoons for rainfall. As the world's largest contract chipmaker, TSMC must be prepared for these varied water risks. Management of the issue is especially important given water's critical role in semiconductor production.

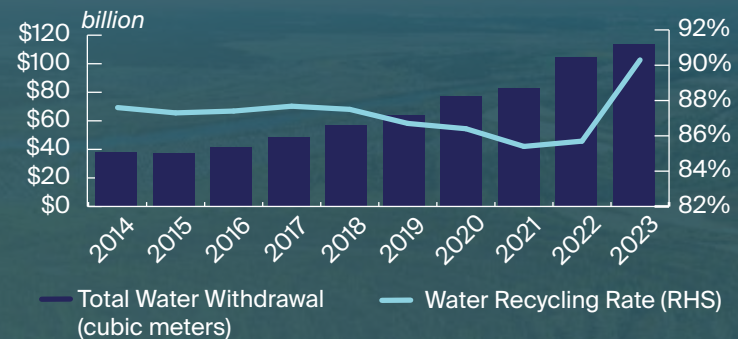
Importantly, TSMC recognizes the consequence of water security for its operations and has developed a robust strategy to address potential risks. As part of its process, TSMC conducts regular water risk assessments using tools such as the World Resources Institute Aqueduct. These assessments revealed 18 facilities are exposed to "medium-to-low water risks" and one is exposed to "high risk." For immediate drought concerns, TSMC has developed a series of response measures based on drought severity that go above and beyond government mandates. For longer-term water risks, TSMC implements various water conservation measures.

Given TSMC's dominance in advanced chipmaking, any water-related disruptions to its operations would have far-reaching impacts on the global tech supply chain. Still, while the company has made progress increasing its water reclamation and recycling capabilities, it hasn't been able to decouple water use from production. Moving toward 2030, we expect this hurdle will become increasingly important for the company to navigate.¹³

Taiwan Semiconductor Manufacturing Company Headline Targets and 2023 Performance

	2030 Target	2023 Target	2023 Performance
Reduce water consumption per unit from 2010 baseline	30% reduction	2.7% reduction	25% increase
Replace water resources with reclaimed water	>60% replacement	5% replacement	12% replacement
Reduce water pollution	60% reduction	56% reduction	63% reduction

Taiwan Semiconductor Manufacturing Company Water Trends



Source: Refinitiv, Saturna Capital Research

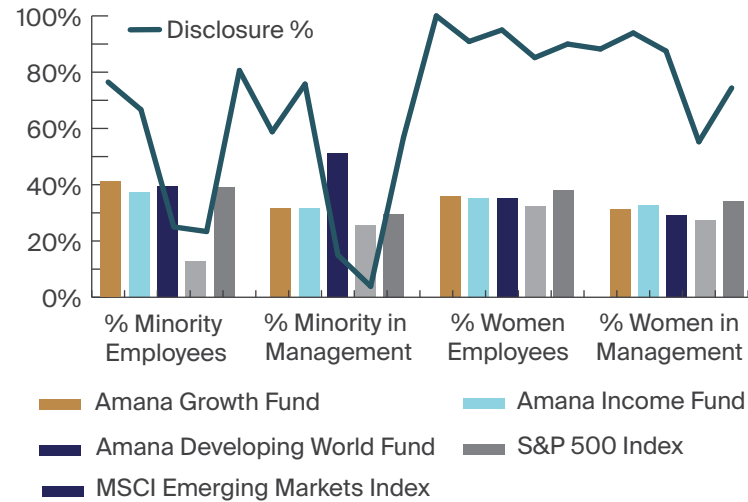
As of September 30, 2024 unless noted otherwise.

Diversity and Inclusion

A 2024 McKinsey study of the US corporate workforce found that white women represented 28% of the entry-level workforce and women of color represented 19%. At 48% representation, women are near parity with men for entry-level roles. The same cannot be said for higher rungs on the corporate ladder, with white women representing only 22% of the C-suite, and a dreadfully low 7% for women of color. While the 29% representation for women in the C-suite represents a 12% improvement since 2015, its far from equal representation.¹⁴

In 2024, the holdings in the Amana Income and Amana Growth Funds reported similar levels of diversity with 2022 and 2023. As a result, the funds reported weaker gender diversity levels than the S&P 500 Index, which has improved slightly over the years. On ethnic diversity, the Income Fund saw improvements at both the employee and manager levels, while the growth fund improved on employee diversity but backslid on manager. Diversity figures for the Amana Developing World Fund had marked changes, but considering the low disclosure rates, these figures are prone to volatility.

Employee Diversity by Level



Source: Refinitiv, Saturna Capital Research

As of September 30, 2024 unless noted otherwise.

Case Study: ServiceNow

Founded in 2004, **ServiceNow** is a leading provider of enterprise cloud software, primarily focused on digital workflow solutions that enhance organizational efficiency and productivity. The company recognizes the importance of a diverse workforce to addressing the varied needs of its customers and their respective audiences. On its journey to greater reflect society’s diversity, ServiceNow has set the following goals for 2025:

- Increase global representation of women to 34% vs 33.3% in 2023
- Increase representation of underrepresented racial and ethnic groups to 16% of the US workforce versus 15.1% in 2023

ServiceNow has made steady progress towards these goals. This continued in 2023 with gains across its standardized metrics of diversity and inclusion. In examining these metrics, it’s worth noting increasing diversity for senior roles, suggesting the company is addressing glass ceiling concerns that often prevail among tech companies.

Pay equity is another area ServiceNow focuses on. The company maintains a systematic pay equity program globally for gender and in the US for race and ethnicity. As part of its process, ServiceNow engages a third party to analyze pay equity and adjusts it based on these findings. In 2023, global pay equity adjustments affected less than 1% of their workforce and amounted to less than 0.05% of their global payroll costs.¹⁵

ServiceNow has also launched initiatives to increase diverse representation, such as the NextGen Professionals Program and RiseUp with ServiceNow. These programs aim to create simpler, faster, and more equitable paths for underserved and nontraditional talent to have successful careers in technology. The company has connected more than 6,300 NextGen graduates to employment opportunities¹⁶ and aims to skill one million people on the ServiceNow platform through the RiseUp initiative.¹⁷

ServiceNow’s Diversity Trends



Source: Company Reports, Refinitiv, Saturna Capital Research

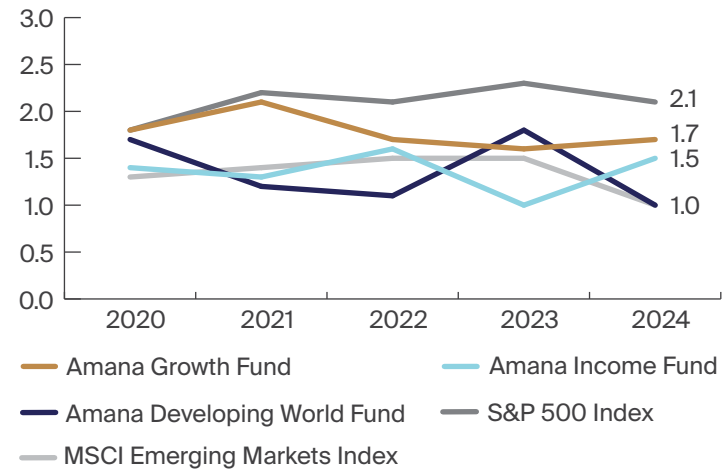
As of September 30, 2024 unless noted otherwise.

Health and Safety Management Systems

Workplace accidents and illnesses have a significant economic impact, costing the US economy an estimated \$167 billion in 2022, or close to 1% of the country’s GDP. Additionally, injuries that require medical attention cost companies an average of \$40,000 per incident.¹⁸ A recent study in Safety Science revealed evidence that both safety culture and safety performance are positive predictors of a company’s financial performance.¹⁹ This finding underscores the dual benefit of workplace safety initiatives. They not only prevent tragic loss of life and life-altering injuries but also are financially advantageous for businesses.

The lost time incidence rate (LTIR) is a standardized way to measure employee health and safety through establishing the number of injuries resulting in lost time per one million worked hours. On LTIR, the Amana Growth and Income Funds reported lower rates than their benchmarks. The Amana Developing World Fund unwound a spike in 2023 and is now in line with its benchmark. Much of the improvement in 2024 came from exiting VF Corp and Fleury, which reported rates of 6.7 and 4.9 in 2023, respectively.

Lost Time Incidence Rate



Source: Refinitiv, Bloomberg, Saturna Capital Research

As of September 30, 2024 unless noted otherwise.

Case Study: Barrick Gold Corporation

Barrick Gold Corporation is a leading global mining company focused on gold and copper production. The company emphasizes a strong commitment to workplace health and safety, aiming for a zero-incident work environment. This commitment is embedded in Barrick's Journey to Zero, a five-phase road map the company developed in 2022 to sharpen its focus on and enhance its culture around safety.

Through the phases of its Journey to Zero, Barrick has outlined a host of changes needed and the required steps required to achieve those changes. As part of the first phase, Honest Reflection, Barrick has established a Responsibility to Stop Unsafe Work Program. This program establishes that anyone on a job site not only has the right to stop or refuse unsafe work but the responsibility. Through this phased journey, Barrick strives to exceed industry standards in safety performance with a focus on continuous improvement.

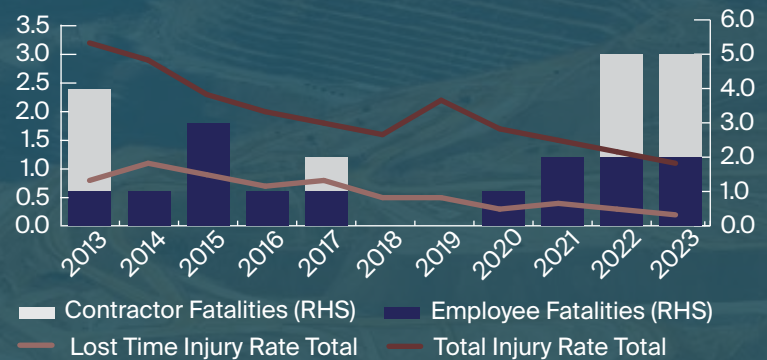
To measure progress on its journey, the company sets ambitious goals for reducing incidents and maintaining a safe work environment. To this end Barrick targets:

1. Zero work related fatal injuries
2. A lost time injury frequency rate below 0.29
3. A total recordable injury frequency rate below 1.39

While Barrick successfully cut its total injury rate by 66% and its lost time injury rate by 75%, the company failed to achieve its ultimate safety goal of zero fatalities. The five fatalities that occurred in 2022 prompted the company to reflect deeply

reflection on its safety culture, leading to the Journey to Zero program. Further elevating safety's importance in the company's operations, Barrick appointed a specialist Group Head of Safety in 2023. We are perturbed by the challenges Barrick has had with fatalities in its operations but confident in management's commitment to getting the company back to zero fatalities.²⁰

Barrick Gold's Safety Trends (2013 - 2023)



Source: Company Reports, Refinitiv, Saturna Capital Research

As of September 30, 2024 unless noted otherwise.

Board Independence and Diversity

Board independence and diversity are complementary safeguards against groupthink. Independence ensures objectivity, while diversity brings varied perspectives. While investors have long valued independence, diversity’s importance is a newer development.

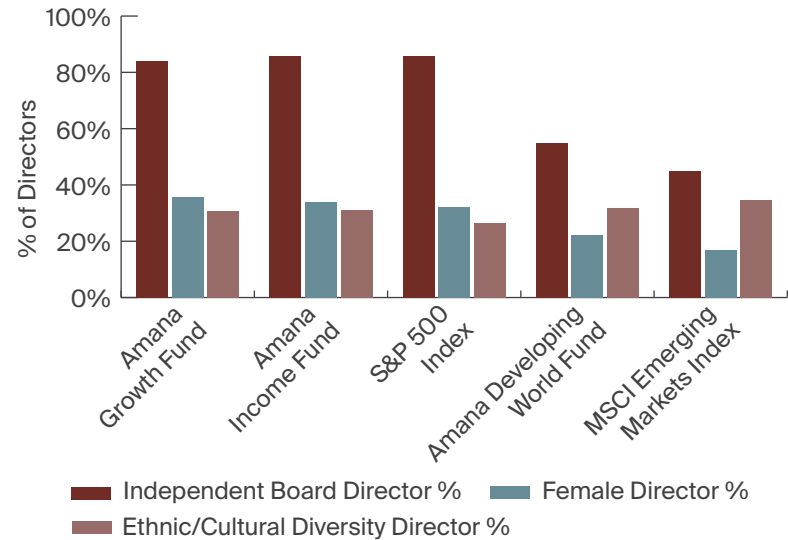
After years of improving board diversity, trends stalled in 2024. During the year, 42% of new directors were women, down from 46% in 2023, but up from 30% from 2014. For underrepresented minorities, there was a more pronounced slowdown in 2024, with 26% of new directors coming from underrepresented groups, down from 36% in 2023. While this slowdown is concerning, it’s a notable improvement from 12% in 2014. Still, only 24% of all S&P 500 Index board members are racially or ethnically diverse – well below the 45% level for the wider US population.²¹

Considering board diversity metrics, we see results diverge based on geography. On board independence, developed markets have mostly independent boards. Such independence isn’t as widespread in the developing world, where we see significantly lower rates. One reason for this is that developing countries tend to have more family-run, founder-held, or state-owned businesses, making them less receptive to investor calls for independence.²²

Across markets, we see a lack of gender and cultural diversity but note that developing markets tend to support greater cultural diversity rates. The Amana Funds generally lead their respective benchmarks on gender, ethnic, and cultural diversity measures. The two exceptions are the Amana Growth Fund narrowly trailing the S&P 500 Index on board independence and the Amana

Developing World Fund slightly behind the MSCI Emerging Markets Index on cultural diversity.

Board Diversity



Source: Refinitiv, Saturna Capital Research

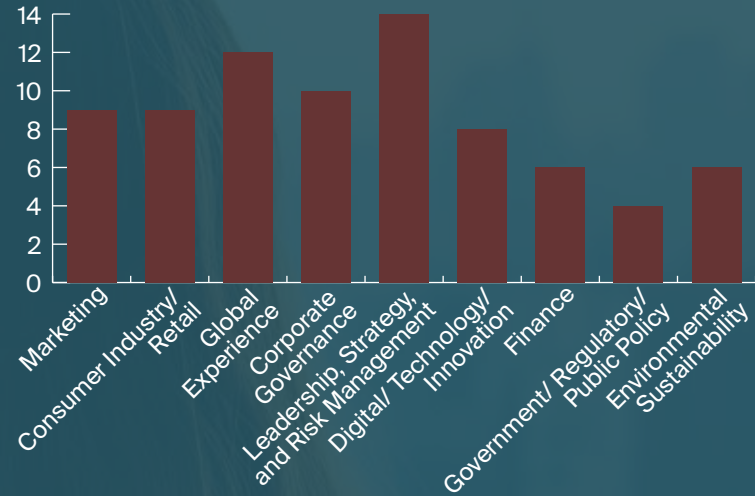
As of September 30, 2024 unless noted otherwise.

Case Study: Procter & Gamble

Founded in 1837, Procter & Gamble (P&G) is a leading multinational consumer goods corporation specializing in a range of personal health, personal care, and hygiene products. As a global firm, P&G places a strong emphasis on leveraging diversity on its board of directors to navigate competitive markets effectively. Currently, 43% of P&G's board members are women, and 36% are racially or ethnically diverse, reflecting the company's commitment to a balanced leadership team.

P&G recognizes diversity goes beyond gender and race and its board comprises individuals with varied backgrounds, including corporate leadership, financial expertise, and global business acumen. The company also recognizes the value of fresh perspectives, with 43% of board members joining in the past three years. This multifaceted diversity helps the company address emerging risks and challenges while aligning with P&G's purpose, values, and principles. The board's composition underscores the importance of diverse perspectives in driving innovation and maintaining P&G's competitive edge in the consumer goods industry.²³

Procter & Gamble's Board Qualifications, Expertise, and Attributes



Source: Company Reports, Saturna Capital Research

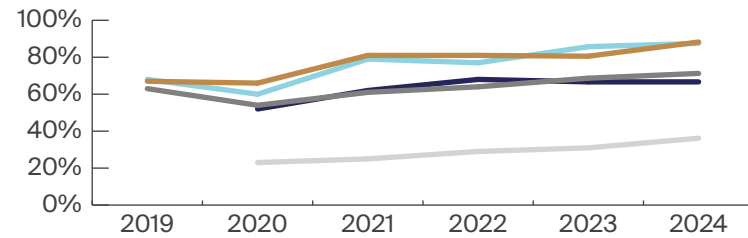
Ethical Business Practices

Trust underpins free market efficiency. Companies can foster trust via robust ethical codes with key elements that build anti-corruption measures and whistleblower protections. In its annual “Occupational Fraud Report,” the Association of Certified Fraud Examiners found 48% of fraud cases involved some form of corruption and caused a median loss of \$200,000. This same survey found that 43% of fraud cases were uncovered through a whistleblower – more than three times the rate of any other detection mechanism.²⁴

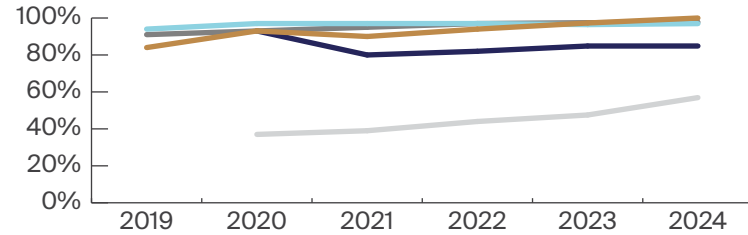
Whistleblowers offer crucial insights into corporate malfeasance. Effectively enabling whistleblowing requires strong protective policies. As with other governance metrics, developed markets typically show higher adoption of whistleblower and anti-corruption measures. The Amana Developing World Fund, while lagging its developed market peers, significantly outperforms its MSCI Emerging Markets Index benchmark in implementing these policies.

Percent of Holdings/Constituents Reporting

Has Strong or Adequate Bribery and Corruption Policy



Has Strong or Adequate Whistleblower Policy



— Amana Growth Fund — Amana Income Fund — S&P 500 Index
 — Amana Developing World Fund — MSCI Emerging Markets Index

Source: Sustainaytics, Saturna Capital Research

As of September 30, 2024 unless noted otherwise.

Case Study: Novo Nordisk

Founded in 1923, Novo Nordisk has grown into a leading global healthcare company focused on driving innovations to overcome serious chronic diseases. Known for its commitment to addressing global health challenges, particularly diabetes and obesity, Novo Nordisk is a pioneer in developing novel treatments that improve lives worldwide. The company is dedicated to ethical business practices, emphasizing the importance of doing the right thing as it expands its legacy of innovation. As Novo Nordisk states in its annual report, the Novo Nordisk Way and its OneCode code of conduct form the foundation of the company's commitment to being a sustainable business with a clear patient-centric purpose.

This commitment to upholding a highly ethical culture permeates the company's operations from research and development to manufacturing and distribution. The Novo Nordisk Way guides employees to make ethical decisions in complex situations, ensuring that the company's actions align with its core values and purpose. The company further maintains a compliance hotline to allow any stakeholder the ability to report potential policy, legal, or regulatory violations.

Novo Nordisk builds on this foundation with comprehensive training programs and a robust compliance framework designed to prevent, detect, and address potential violations of laws or company policies. To maintain high ethical standards, Novo Nordisk conducts regular audits and assessments, involving both internal and external reviews. Finally, the company maintains a survey of various stakeholder groups to assess how these actions and the wider implementation of the Novo Nordisk Way affect the company's reputation.

As the below figures show both the number of ethics reviews and compliance reports have grown over the past three years, the company attributes this to the rapid growth its business has experienced. While this is reasonable, we are somewhat concerned that the company has seen a slight deterioration in its reputation. Still, we appreciate that Novo Nordisk continues to be held in high regard.

Novo Nordisk Business Ethics And Reputation Metrics

	2023	2022	2021
Business Ethics Reviews (Internal)	40	35	37
Development In Number Of Substantiated Cases Reported Via The Compliance Hotline	314	288	236
Convictions For Violation Of Anti-Corruption And Anti-Bribery Laws	0	0	0
Company Reputation (Score 0-100)*			
People With Obesity	77.9	79.4	81.5
People With Diabetes	81.4	81.3	81.5
Diabetes Specialists	88.9	90.3	90.3
General Practitioners	82.9	84.0	84.8
Informed General Public	79.6	76.3	77.1
Total Average Score	82.1	82.3	82.6

Source: Company Reports, Saturna Capital Research

Note: Per Novo Nordisk, the reputation score is based on four factors measuring esteem, admiration, trust and feeling of the stakeholders towards Novo Nordisk, across ten key markets: France, Denmark, the US, Canada, Brazil, China, Japan, Germany, Italy, and the UK. The data is collected through online surveys carried out by an external consultancy firm. Responses are aggregated to produce an overall score on a Likert scale of 1-7, which is rebased on a 0-100 scale.

As of September 30, 2024 unless noted otherwise.



Amana Funds



Amana Funds

Saturna Capital’s first and largest client, the Amana Mutual Funds Trust, follows Islamic principles as well as sustainable investing principles among the equity funds. Islamic principles require investors to share in profit and loss, to exclude investments in prohibited activities, and to avoid speculation in favor of long-term investment. Business sector and sustainability screens eliminate companies primarily involved in certain activities including:

- Greater than 5% of their revenue coming from *haram*, or unacceptable, sources
- Greater than 33% total debt as compared to their market capitalization (trailing 12-month average)
- Greater than 45% accounts receivable as compared to their total assets (trailing 12-month average)

The guidelines developed for the Amana Funds help ensure that investments meet the requirements of the Islamic faith and were established by Saturna in collaboration with the Fiqh Council of North America (FCNA), a nonprofit organization serving the Muslim community. To ensure that investments continue to meet the requirements of the Islamic faith, Saturna engages Amanie Advisors Sendirian Berhad, a leading consultant specializing in Islamic finance.

The Fund’s adviser also uses negative screening to exclude security issuers primarily engaged in higher sustainability-risk businesses such as alcohol, tobacco, pornography, weapons, gambling, and fossil fuel extraction.



Amana Funds Performance

As of December 31, 2024

Morningstar™ Ratings ^A	1 Year	3 Year	5 Year	10 Year	15 Year	Overall	Sustainability™ Rating ^B
Amana Developing World Fund – “Diversified Emerging Markets” Category							
Investor Shares (AMDWX)	n/a	★★★★	★★★★★	★★★	n/a	★★★★	
% Rank in Category	43	32	15	69	n/a	n/a	
Institutional Shares (AMIDX)	n/a	★★★★	★★★★★	★★★★★	n/a	★★★★	
% Rank in Category	39	29	13	62	n/a	n/a	25
Number of Funds in Category	787	707	632	430	219	707	1,790
Amana Growth Fund – “Large Growth” Category							
Investor Shares (AMAGX)	n/a	★★★	★★★	★★★★★	n/a	★★★★	
% Rank in Category	93	73	53	46	66	n/a	
Institutional Shares (AMIGX)	n/a	★★★	★★★★★	★★★★★	n/a	★★★★	
% Rank in Category	92	71	49	38	61	n/a	1
Number of Funds in Category	1,088	1,020	952	748	587	1,020	1,551
Amana Income Fund – “Large Blend” Category							
Investor Shares (AMANX)	n/a	★★	★★	★★	n/a	★★	
% Rank in Category	91	78	88	91	95	n/a	
Institutional Shares (AMINX)	n/a	★★	★★★	★★	n/a	★★	
% Rank in Category	90	76	86	89	93	n/a	12
Number of Funds in Category	1,386	1,280	1,180	889	704	1,280	3,685

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^A 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.

^B 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 50% 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 subject to change, which may result in a different Morningstar Sustainability Score and Rating each month. Amana Growth Fund and Amana Developing World Fund were each rated on 100% of Assets Under Management. Amana Income Fund was rated on 98% of Assets Under Management. Amana Participation Fund was rated on 91% of Assets Under Management.

% 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.

The Amana Mutual Funds offer two share classes – Investor Shares and Institutional Shares, each of which has different expense structures.

About the Authors



Levi Stewart Zurbrugg, MBA, CFA®, CPA®
Senior Investment Analyst & Portfolio Manager

Levi Stewart Zurbrugg CFA®, Senior Investment Analyst & Portfolio Manager, joined Saturna in June 2019. He graduated from Western Washington University with a BA in Business Administration and has an MBA from the University of Washington's Foster School of Business. Prior to Saturna, Levi worked at the Sustainability Accounting Standards Board as a Sector Analyst for the Consumer Staples sector. He is a Certified Public Accountant and Chartered Financial Analyst (CFA) charterholder. Outside of work, Levi enjoys exploring the outdoors via foot, skis, and bikes with his wife and son.



Scott Klimo, CFA®
Chief Investment Officer

Scott Klimo, Chief Investment Officer, joined Saturna Capital in May 2012. He received his BA in Asian Studies from Hamilton College in Clinton, NY and also attended the Chinese University of Hong Kong and the Mandarin Training Center in Taipei, Taiwan. Scott has over 30 years experience in the financial industry with the first several years of his career spent living and working in a variety of Asian countries and the past 20 years working as a senior analyst, research director and portfolio manager covering global equities. Mr. Klimo is a Chartered Financial Analyst (CFA) charterholder and an avid cyclist.



Monem Salam, MBA
Director; Portfolio Manager

Monem Salam, Director; Portfolio Manager of Saturna Capital, received his degrees from the University of Texas: BA (Austin) and MBA (Dallas).

He worked as the Chief Investment Officer for ITG & Associates (Dallas) until 1999; then as a representative with Morgan Stanley (suburban Dallas) until joining Saturna Capital in June 2003. He served as the Director of Islamic Investing and a Deputy Portfolio Manager to the Amana Mutual Funds Trust until moving to Kuala Lumpur in 2012 to oversee Saturna Sdn. Bhd. In 2018, he returned to the United States. He is Portfolio Manager of the Amana Income and Developing World Funds, as well as investment management accounts, and a Deputy Portfolio Manager of Amana Growth Fund.

Adviser Spotlight

Saturna Capital, investment adviser to the Amana Mutual Funds, believes that traditional barometers by which investment risk is measured have expanded by necessity to include risks related to environmental, social, and governance practices.

The threat of climate risk is intricately linked to more familiar forms of risk including regulatory and reputational risk. As environmental issues (like wildfires) and social and governance issues (like data security and customer privacy) continue to grab headlines and weigh on the minds of consumers, financial markets will see upheaval and consumers will become savvier, choosing to vote with their dollars by moving toward less impactful products and activities.

Saturna Capital's analysts are committed to identifying trends, top performers, and solutions providers among industries so that we can be sure our investments are well positioned for the long-term new normal.

About Saturna

Saturna Capital, manager of the Amana, Saturna Sustainable, and Sextant Funds, uses years of investment experience to aid investors in navigating today's volatile markets. Founded in 1989 by professionals with extensive experience, Saturna has helped individuals and institutions build wealth, earn income, and preserve capital.

We are long-term, values-based, and socially responsible investors. We view consideration of sustainable factors as essential in forming portfolios of high-quality companies that are better positioned to reduce risk and identify opportunities. We believe that companies proactively managing business risks related to sustainable issues make better contributions to the global economy and are more resilient.

At Saturna, we believe in making your investment dollars work hard for you and that your interests always come first. Saturna strives to not only offer the best investment opportunities from mutual funds to IRAs, but to match those sound investments with superior customer service.

Endnotes

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As of December 31, 2024, the Funds held the following percentages of securities in their portfolios (% of net assets):

<i>Ownership of securities mentioned:</i>	<i>Amana Developing World Fund</i>	<i>Amana Growth Fund</i>	<i>Amana Income Fund</i>
Nvidia	9.43%	5.08%	n/a
Taiwan Semiconductor, ADS	3.99%	4.31%	8.53%
Schneider Electric	n/a	1.79%	n/a
Air Products	n/a	n/a	1.67%
Linde	n/a	n/a	2.85%
UltraTech Cement	2.88%	n/a	n/a
Manila Electric Company	2.68%	n/a	n/a
ServiceNow	n/a	3.53%	n/a
Barrick Gold	1.89%	n/a	n/a
Procter & Gamble	n/a	1.93%	2.20%
Novo Nordisk	n/a	3.10%	n/a

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A Few Words About Risk

Income, Growth, and Developing World Funds: The value of the shares of each of the Funds rises and falls as the value of the securities in which the Funds invest go up and down. The Amana Mutual Funds limit the securities they purchase to those consistent with Islamic and ESG principles. This limits opportunities and may affect performance. Each of the Funds may invest in securities that are not traded in the United States. Investments in the securities of foreign issuers may involve risks in addition to those normally associated with investments in the securities of US issuers. 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.

Growth Fund: The smaller and less seasoned companies that may be in the Growth Fund have a greater risk of price volatility.

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