



2025

Saturna Sustainable Funds  
Sustainability and  
Stewardship Report



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To learn more about the Saturna Sustainable Funds, and if they are a fit for your client's portfolio, please visit: [www.saturnasustainable.com](http://www.saturnasustainable.com) or call 1-800-SATURNA



# Key Takeaways

- 1. Climate risk is immediate and material.** There are global expectations of significant income reductions and underestimated investment losses due to climate change. Addressing climate risk is an urgent component of investment strategy, not just a future concern.
- 2. There is widespread concern about “greenwashing” and “SDG washing,” a practice where companies make sustainability claims without supporting data.** It’s important to prioritize investments in companies with credible, data-backed sustainability targets and robust reporting frameworks.
- 3. Empowering women and closing gender gaps in employment and pay could lead to substantial economic growth.** The Sustainable Funds excel in board gender diversity compared to benchmarks, but true gender parity is still decades away at the current pace.
- 4. There is a \$2.7 trillion annual global climate funding gap, with significant shortfall in both emissions reduction and adaptation investments.** Public markets, especially those for green and sustainability bonds, are critical in financing essential infrastructure, adaptation, and resilience projects.

With 36 years of experience, Saturna has navigated volatility and weathered economic cycles, all while delivering clients exceptional values-based investment options. This year marks the 10th anniversary for the Sustainable Bond and Sustainable Equity funds. We are proud to continue offering conservative, ethical investments that preserve capital with a sustainable alignment.

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Incorporating a sustainable lens is becoming more imperative, as a wider data set is increasingly needed to make informed investment decisions. Climate risk is not a specter in the future – it is material today and expected to increase going forward. Research has found that the world is already committed to an income reduction of 19% in the next 26 years, independent of future emission choices. Further evidence shows possible investor losses from global warming could be underestimated by 70%.

Investors have an important role to play with the forthcoming challenges. It's essential that portfolios are constructed with the future in mind, by managers maintaining flexibility of thought through the unprecedented changes happening on our planet. Risks must be accounted for through a climate, social and resource-use evaluation to best serve those who invest in Saturna's funds. But asset managers can also build hope through investment in resilience. Public markets remain an invaluable, and scalable, tool to build essential infrastructure and fund the transition away from fossil fuels.

This report is an invitation to learn about Saturna's process for accessing risk, investing in adaptation, and building strong portfolios that are resilient to economic and climate volatility. We believe that transparency is the foundation of credibility and aim to provide an in-depth look inside our process and performance. The Sustainable Funds report through the framework of the United Nation's Sustainable Development Goals, showcasing material key performance indicators (KPIs) and concrete case studies for each of our focus goals.

As we delve into the details of our fund's impact and key performance indicators, we welcome our investors and stakeholders to critically examine our strategies and outcomes. We remain committed to fostering a dialogue that enhances our collective understanding of sustainable investing and its role in shaping a more resilient future.

*As of March 31, 2025 unless noted otherwise.*

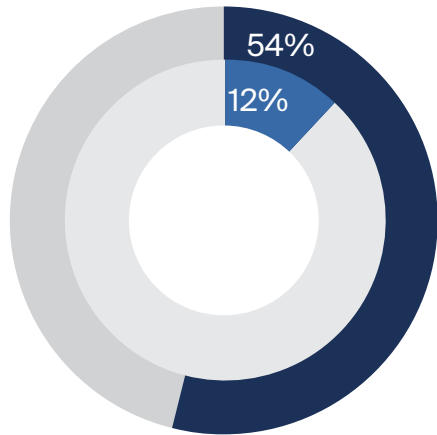
## Balancing Risk with Resilience

Risk	Resilience
The world faces a \$2.7 trillion annual climate funding gap by 2030. Globally there is 55% gap in investments toward reducing emissions, and a staggering 81% gap in financing adaptation and resilience.	The costs in trying to limit global warming to 2 degrees Celsius are six times lower than the damages that would arise from additional temperature increases.
By 2100 global crop yields could decline by 24% if emissions remain unchecked. Even in a low emissions future, it's possible to expect a decline of 8% due to damage already created.	If women had equal access to productive resources as men, agricultural yields could rise in some places by 20%–30%, providing food for 100 million additional people.
Gross domestic product (GDP) in the United States could shrink by 9.5% or \$6 trillion due to physical climate risk by 2050, with average annual cost from natural disasters rising 26%.	In the municipal market, for or every dollar invested in resilience, it produces \$13 worth of avoided recovery expenses.
Up to 40% of the world's land is degraded, affecting over 3.2 billion people. Desertification, land degradation, and drought already cost the global economy \$878 billion every year. Around 85% of the world's largest companies have significant dependencies on nature across their direct operations.	Land restoration presents potential benefits of \$1.8 trillion in annual returns if proper investment is made. This represents a return on investment of up to \$8 in social, environmental, and economic gains for every dollar invested.

Each investment decision is fully integrated with traditional financial analysis and evaluation through the wider lens related to our sustainable mandate. Emissions, and climate vulnerability are evaluated alongside operational strength and governance. We seek a balanced approach of looking at both risk and opportunities in adaptation.

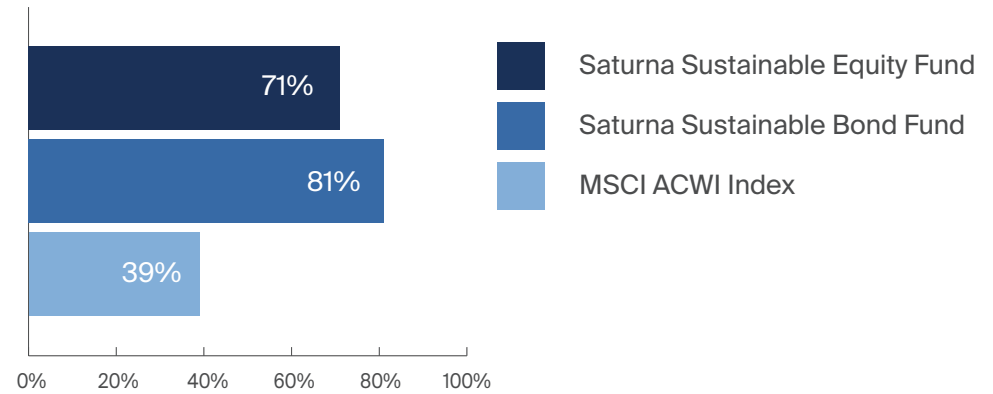
*As of March 31, 2025 unless noted otherwise.*

### Carbon Intensity Relative to the MSCI ACWI Index



- Saturna Sustainable Equity Fund
- Saturna Sustainable Bond Fund

### Holdings with 33% or More Female Board Representation



The Sustainable Funds have *significantly less carbon intensity* and *more gender diversity* on the board than their benchmark index, the MSCI All Country World Index (MSCI ACWI).

*As of March 31, 2025 unless noted otherwise.*



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# Net Zero

# SCIENCE BASED TARGETS

SBTi delisted 239 major global companies for failing to set near-term net zero targets.

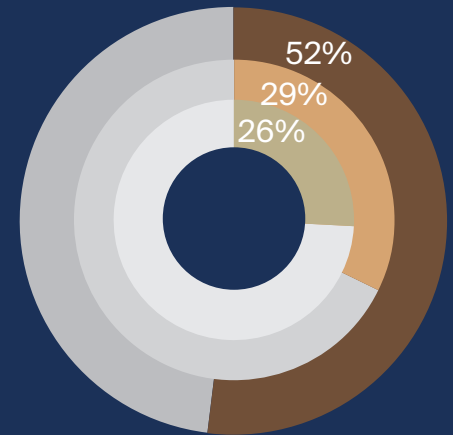
*According to a study published in Nature Climate Change, of more than 1,000 firms that had emissions targets ending in 2020, 9% failed to meet those targets, while 31% of targets disappeared.*

While initial announcements are rewarded, there is limited accountability for targets not met or abandoned. The companies that failed to meet their targets by and large acknowledged failure. We continue to be more concerned with quietly disappearing targets. According to the study, dropped targets were not disclosed or acknowledged by any of the 320 companies that abandoned their goals.

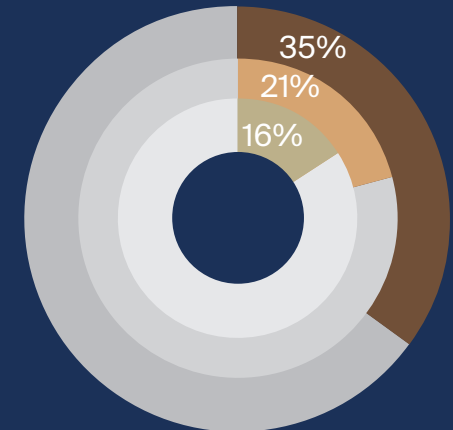
Now as Net Zero moves from planning to implementation, it is very likely we will see more controversy and abandoned targets. As such, choosing companies with credible commitments will be essential. The warming planet will continue to present risks for investors and corporations, even as regulatory power in the US grows weaker and the political climate more volatile.

This year we are continuing to present data based on the criteria set by Science-Based Targets Initiative (SBTi). The SBTi is a climate action organization that is incorporated as a charity, working to validate corporate targets, and set standards to bring these targets in line with the goal of combating the warming of the planet.

**Percent Holdings with SBTi Short Term Targets of 1.5 Degrees Celsius**



**SBTi Net Zero Committed or Net Zero Targets Set**



- Saturna Sustainable Equity Fund
- Saturna Sustainable Bond Fund
- MSCI ACWI Index

*As of March 31, 2025 unless noted otherwise.*

# MAPPING NET ZERO CREDIBILITY

Tracking credibility with corporate net zero targets is a continuous process, evolving as we get new information and as planning meets reality. There are more than 37 different guidance instruments used internationally to guide net-zero action and voluntary standards. Some examples include the Science Based Targets initiative (SBTi), the World Economic Forum, and the International Organization for Standardization (ISO). A major challenge for investors can be to parse through the myriad amount of guidance available to determine which targets are credible.

Some organizations are tackling this issue. For example, Net Zero Tracker and Oxford Net Zero have looked at trends and differences between guidance documents. In an extensive report published last year, Oxford Net Zero's team evaluated all 37 of these documents to identify best practices and gaps.

The different guidance documents offer different methodologies there are important tenants at the heart of all of them. Using the report from Oxford Net Zero and STBi's Net Zero guidance newly released in September of 2025, we look to these resources as a roadmap to credibility.



## Net Zero Credibility Roadmap

### Target Net Zero by 2050

Achieving the 2015 Paris Agreement’s objective to limit warming to within 2 degrees Celsius of preindustrial levels requires non-state actors to adopt voluntary actions to sharply reduce greenhouse gas emissions (GHGs) and remove residual emissions, in line with global net zero by 2050.

### Quantify and set targets related to scope 3

Scope 3 emissions, or indirect emissions, are the subject of contentious debate with relation to Net Zero. Generally, we look for organizations to quantify Scope 3 emissions, with separate accounting of offsets in disclosure. 85% of guidance recommends setting Scope 3 targets, but do not agree on what portion of Scope 3 should be mitigated.

### Shift products and services toward low carbon alternatives.

Most guidance recommends that organizations’ transition plans include shifting business activities towards climate solutions or low-carbon products and services. This includes evolving business models to lower carbon areas, identifying low-carbon solutions, and identifying new opportunities in a low-carbon economy.

### Assessing impacts of a just transition.

Organizations should consider and disclose the impacts of their transition plans the wellbeing of workers and their communities.

### Set interim targets

Near-term targets galvanize the action required for significant emissions reductions to be achieved by around 2030. According to STBi guidance, Near-term emissions reductions are critical to not exceeding the global emissions budget and are not interchangeable with long-term targets. Most Net Zero guidance recommends target intervals every 5–10 years.

### Align Business Spending to Paris-aligned climate future

- Executive Pay: 85% of relevant net zero guidance recommend linking executive pay to climate targets or transition plans.
- Lobbying: Lobbying activities are becoming more of a focus. Generally Net Zero plans are viewed as more credible if business lobbying, and membership associations are aligned with climate goals.

### Take measures to remove carbon.

Unabated emissions once long-term targets are achieved should be neutralized. STBi recommends that companies should disclose near-term investments that demonstrate the integrity of commitments to neutralize unabated emissions at net-zero.

*As of March 31, 2025 unless noted otherwise.*



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# SDG Methodology and Case Studies

## Sustainable Development Goals – Framework for Impact Reporting

A major challenge when integrating environmental, social, and governance (ESG) data into investment decisions is gauging the true commitment of a company or issuer to address factors that will impact their exposure to risks. The same challenge is present in their ability to identify opportunities with ESG issues such as climate change, diversity, and biodiversity.

Greenwashing is common in this space. Even companies with high risk or negative climate impacts can use greenwashing to present themselves as glowing sustainable investments by using large marketing investments and clever data presentation.

The Sustainable Development Goals (SDGs) includes 17 goals and 169 targets and are an excellent framework to evaluate potential investments and follow current holdings. The breadth of the goals and the specificity of their underlying targets allow us to evaluate the positive impacts and risk exposures to our portfolio. However, as with other data in the ESG space, what companies put in their reporting is not regulated or audited.

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“SDG washing” is just as big a concern as greenwashing. The specificity of the targets aids our analysis, as does looking at how exactly companies and issuers report on the goals.

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The analysis is manual in nature. Our investment team combs through every holding’s disclosure and looks at how the SDGs are reported. We pay special attention to whether claims are backed by data and targets for improvement, or if only general claims are being made without substance.

*As of March 31, 2025 unless noted otherwise.*

## Sustainable Development Goals – Framework for Impact Reporting

Our team created a data set unique to Saturna Capital regarding how our investments align with the SDGs.

We developed this resource by examining every single corporate social responsibility report or impact report for the holdings in the Saturna Sustainable Funds. We looked at which issuers reported on specific SDGs and how they reported on each goal. We split company reporting into three categories, from most comprehensive to least comprehensive.

The categories include:

### **Companies that assign data with quantitative targets for a specific goal**

Examples of quantitative targets can include reducing carbon emissions by a specific amount over a defined period or workforce goals related to board or management ethnic and/or gender diversity. These targets must be directly linked with an SDG.

- *Example:* Home Depot pledged to have 100% renewable electricity for all its facilities worldwide by 2030, with the target linked to SDG 12 (Responsible Consumption and Production) and SDG 7 (Affordable and Clean Energy).

### **Companies that provide supporting data regarding a specific goal**

We look for supporting data that backs up the claim of SDG alignment. This can include gender pay parity information for SDG 5 (Gender Equality) or carbon emissions trends.

### **Companies that mention they are aligned with a goal but don't provide data or targets to support the claim**

Unsubstantiated claims can indicate SDG washing, or that the company or issuer doesn't focus on that specific goal.

*As of March 31, 2025 unless noted otherwise.*



## Sustainable Development Goal 3: Good Health and Well-Being

Sustainable Development Goal 3: Good Health & Well Being aims to improve the quality of life of individuals of all ages by providing access to affordable healthcare, medicines and vaccines, and health-related information. SDG 3 offers a wide range of goals, from reducing premature mortality and combating tropical disease epidemics to pollution control and mental health assistance. While considerable progress toward SDG 3 has been made in the past decade, the goal is still very important in 2025. According to the World Health Organization, communicable diseases disproportionately impact low-income countries, accounting for 8 of the 10 leading causes of death in this demographic. At the same time, 38% of total global deaths in 2021 were from noncommunicable diseases, representing 7 of the 10 leading causes of death. These statistics illuminate a divide that necessitates different approaches to address the divergence in global health and longevity. Regardless of the disease, geography, or demographic, substantial resources are needed to treat and mitigate the spread of illness across the world.

Global access to quality healthcare, medicine, information, and capital is fragmented. By bridging these resource gaps, companies operating in developed economies can work to eliminate this disparity over time, benefiting the livelihoods of countless individuals in years to come.



*As of March 31, 2025 unless noted otherwise.*

# Good Health and Well-Being

## KPI Data

One way we evaluate a company’s contribution to this goal is by looking at the strength of its health and safety policies, programs, and reporting. To qualify as a strong safety policy, a company needs to have set targets to reduce health and safety incidents, robust monitoring and measurement protocols in place, and managerial responsibility for health and safety issues. Companies must also report on their performance. The Saturna Sustainable Funds both performed better on this goal than the MSCI All Country World Index.

### Strong Health and Safety Management System

	1 Year Change	2025	2024	2023	2022	2021	2020
MSCI ACWI Index	-1%	36%	37%	36%	35%	31%	27%
Saturna Sustainable Bond Fund	0%	100%	100%	100%	60%	40%	75%
Saturna Sustainable Equity Fund	-13%	41%	54%	53%	43%	42%	45%

*Percent of holdings/constituents reporting (by number of holdings)*

*As of March 31, 2025 unless noted otherwise.*

## Case Study: Eli Lilly and Company

### SDG Target 3.4

By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

### Key Themes

Health Equity

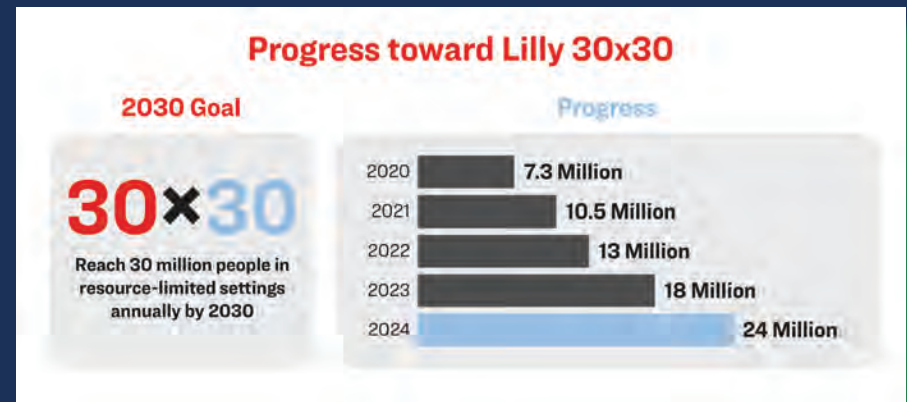
### Holdings

3.44% in Saturna Sustainable Equity Fund

Eli Lilly, currently the largest pharmaceutical company in the world by market capitalization, is a global pharmaceutical leader focused on developing, manufacturing, and commercializing innovative medicines. Lilly has expansive reach, employing approximately 47,000 people in over 15 global facilities, ultimately providing medicine to 58 million people in 95 countries in 2024. Lilly's business model is inherently dedicated to advancing Sustainable Development Goal 3. Through pharmaceutical innovation, global partnerships, social impact programs, and direct resource donation, Lilly works to expand healthcare access, placing a key emphasis on vulnerable populations.

### The Lilly 30 X 30 Initiative

Lilly's overarching goals are captured by the 30 X 30 Program, which aims to improve access to quality healthcare of 30 million people living in resource-limited geographies annually by 2030. The program features a three-pronged approach that focuses on expanding access to medicines, strengthening healthcare systems, and supporting high-impact programs in middle- and low-income countries. Lilly estimated that it reached 24 million people through the 30 X 30 initiative in 2024, putting it on track to meet its 2030 target.



*As of March 31, 2025 unless noted otherwise.*

## Health Equity

### Life for a Child Program

Since 2008, Lilly has partnered with Life for a Child to donate insulin and diabetes care supplies to children in middle- and low-income countries. In 2021, Lilly committed to expanding the program to reach 150,000 children over the next decade and expanding its supply of products to include reusable insulin pens, glucose monitoring, and diabetes education. In 2024, Lilly supplied insulin to more than 53,000 children while maintaining its 2030 goal of 150,000, putting the company on track to exceed its target.

To further enable this goal, Lilly partnered with Direct Relief in 2023 to build cold chain capacity for Life of a Child facilities in 17 countries across Africa, Latin America, Southeast Asia and the Caribbean. Cold chain refers to the transportation and storage of temperature-controlled medications. As the industry shifts toward biologics and other temperature-sensitive molecules, the development of robust medical supply chains will be of increasing importance to improve access to medications going forward.

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Lilly committed to expanding their donations of insulin and diabetes care supplies to more than 150,000 children over the next decade.

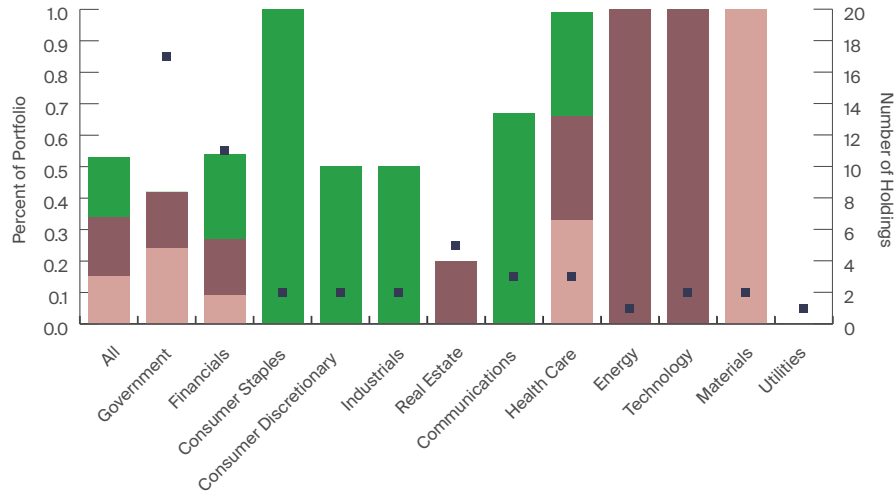
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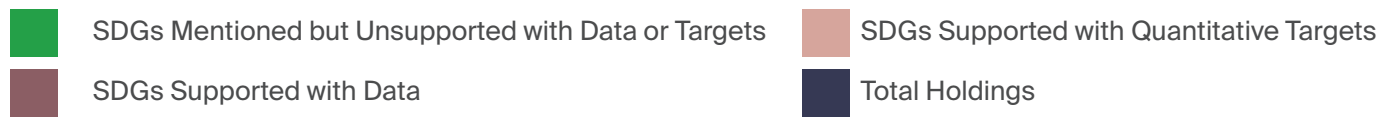
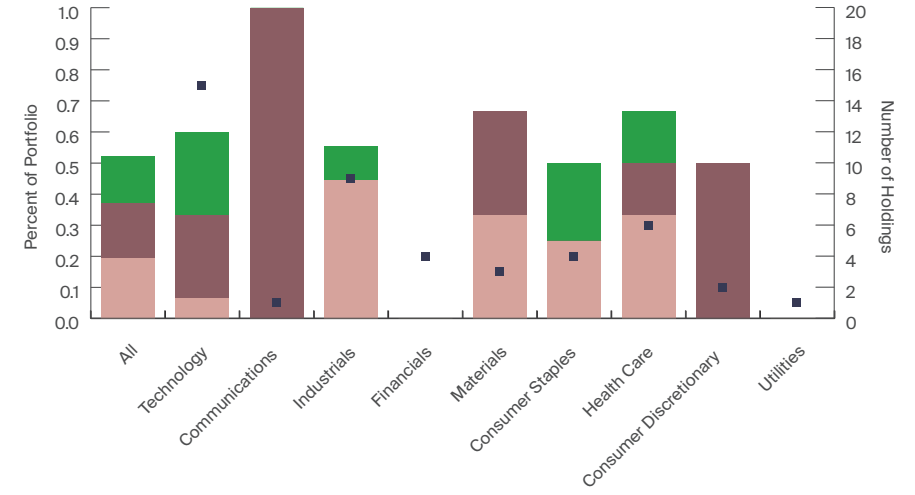
*As of March 31, 2025 unless noted otherwise.*

# Sustainable Development Goal 3: Data Reporting

## SDG 3 Reporting - Saturna Sustainable Bond Fund



## SDG 3 Reporting - Saturna Sustainable Equity Fund



As of March 31, 2025 unless noted otherwise.



## Sustainable Development Goal 5: Gender Equality

According to the World Bank, globally, **achieving gender parity in employment and pay could lead to as much as a 20% increase in GDP per capita.** Additional research has shown that if women participated in the economy equally to men, it would add \$28 trillion to the global economy.

Yet, gender wage gaps stubbornly persist and globally only 55 percent of women participated in the labor market in 2023 compared to almost 75% of men. In some regions their participation is as low as 20%. Less than 20% of the world's landholders are women, and they make up more than two-thirds of the world's 796 million illiterate people.

Investing in women and girls is equally key to climate action and resilience. In rural communities, women and girls are often responsible for securing food, water, and firewood for their families. During times of drought, rural women work harder, walk farther, and spend more time securing resources for their families. According to the UN, when extreme weather disasters strike, women and children are 14-times more likely to die than men, mostly due to limited access to information, limited mobility, decision-making, and resources. **An estimated four out of five people displaced by the impacts of climate change are women and girls.**

Yet there is a tremendous opportunity to empower women to be the catalyst for change and resilience. Even looking at one

example, agriculture, women are responsible for up to 80% of food production in developing countries. Yet they also face significant barriers in accessing critical resources such as land rights, credit, education, and technology. According to the Food and Agriculture Organization of the UN (FAO), if women had equal access to productive resources as men, agricultural yields could rise by 20%–30%, providing food for an additional 100 to 150 million people. Such gains would also ease the demand for expanding farmland, thereby reducing deforestation — one of the largest contributors to climate change. Just improving support for female farmers could add \$1trillion to global GDP.

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**If women had equal access to productive resources as men, agricultural yields could rise by 20%–30%, providing food for an additional 100 to 150 million people**

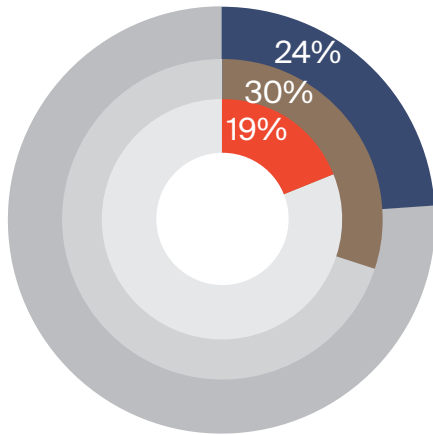
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Investing in economic gender parity lifts not only the women of the world but also strengthens the economy in which investors operate. It's an essential component of driving forward to both a climate- and financially resilient world. We will need to deploy a large range of tools to combat this issue, but the fixed income market and dedicated use of proceeds bonds represents one of the most scalable tools we have to impact change.

*As of March 31, 2025 unless noted otherwise.*




# Gender Equality

## Percent of Female Executives (Average)

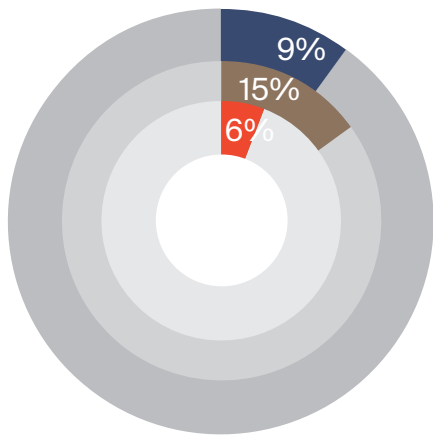


## KPI Data

On average women today make up 29% of C-suite positions, up from 17% in 2015. However, with women representing 48% of the workforce, we are far from gender parity. At the rate we are going **it will take another 50 years to reach parity**. Both Saturna Sustainable Funds show much higher average executive representation relative to the average, and our benchmark.

-  Saturna Sustainable Equity Fund
-  Saturna Sustainable Bond Fund
-  MSCI ACWI Index

## Percent of Corporate Holdings With a Female CEO



*As of March 31, 2025 unless noted otherwise.*

# Gender Equality

## Holdings With Three or More Female Board Members

	1 Year Change	2025	2024	2023	2022	2021	2020	2019
MSCI ACWI Index	10%	59%	50%	48%	45%	42%	37%	48%
Saturna Sustainable Bond Fund	6%	82%	76%	85%	89%	91%	78%	67%
Saturna Sustainable Equity Fund	2%	90%	88%	88%	88%	82%	64%	70%

## Holdings With 33% or More Female Board Representation

	1 Year Change	2025	2024	2023	2022	2021	2020	2019
MSCI ACWI Index	4%	39%	35%	32%	28%	21%	20%	25%
Saturna Sustainable Bond Fund	3%	81%	77%	82%	78%	56%	63%	47%
Saturna Sustainable Equity Fund	7%	71%	64%	63%	65%	45%	45%	43%

*Percent of holdings/constituents reporting (by number of holdings)*

Saturna's gender equality key performance indicators demonstrate our focus on equality in a corporate setting while using data that is widely available. Corporate policies can have a huge impact on gender equality, not only in equal gender representation on the board, but also in closing the pay gap. The key performance indicators (KPIs) focus on the board, as research shows that a more gender-diverse board and management team correlates with better profitability, and the data presented is driven by that research.

*As of March 31, 2025 unless noted otherwise.*

## Case Study: Women's Livelihood Bond 4

FINANCIAL INCLUSION AND  
SME LENDING / AFFORDABLE  
HOUSING / CLEAN ENERGY

<b>SDG Target 5.5</b>	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.
<b>Key Themes</b>	Financial Inclusion and SME Lending   Affordable Housing   Clean Energy
<b>Holdings</b>	1.11% of Saturna Sustainable Bond Fund

Bonds were used to lend to 11 organizations based in four countries: Cambodia, India, Indonesia, and the Philippines. Impact data is verified by a combination of virtual in-depth interviews and surveys sent to over 500 randomly selected women. These borrowers were in the sectors of small and medium enterprise (SME) lending, affordable mobility, microfinance, clean energy, and affordable housing.



*As of March 31, 2025 unless noted otherwise.*

**Impact Performance**  
(through Q4 2024)

	Target	Actual	Variance
Women Directly Impacted	102,920	105,760	+2.76%
Social Return on Investment (SROI)*	\$3.99	\$4.12	+3.22%

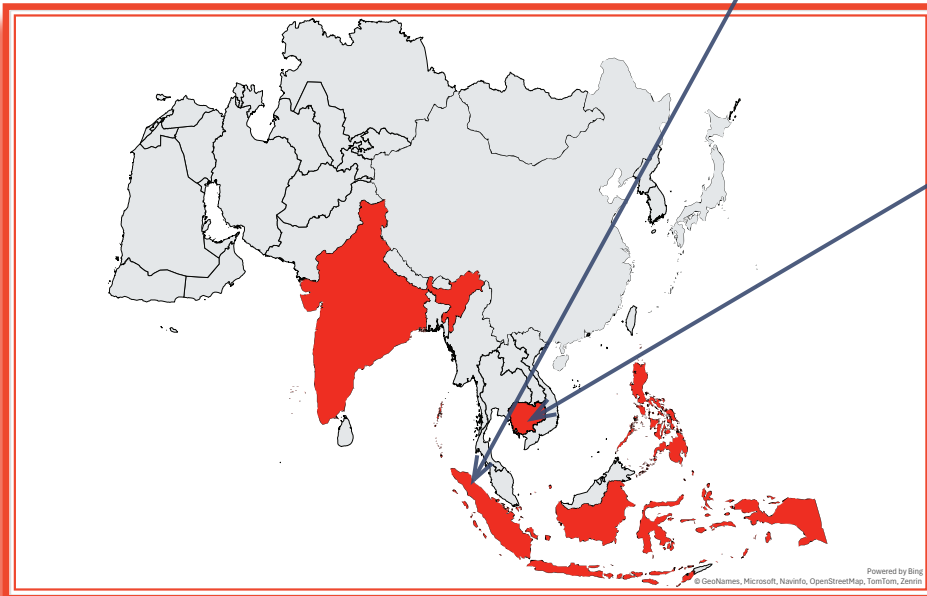
\*Social return on investment (SROI) expresses how much social and environmental impact is created for every dollar invested.

**Koperasi Simpan Pinjam Mitra Dhuafa (KOMIDA) – Microfinance**

KOMIDA is an Indonesian cooperative that provides microfinance services to low-income women. The company continues to provide its women members with access to small loan sizes (as low as US\$ 100), enabling it to reach communities at the last mile. Over the past year, a higher number of women have availed of KOMIDA’s WASH loans, expected to lead to improved health and productivity outcomes. KOMIDA’s women clients have exceeded the target outcome expected through improved income generation and as a result, the company has exceeded its SROI target by an estimated 32%.

**KK Fund Leasing Plc (KK Fund) – Affordable Mobility**

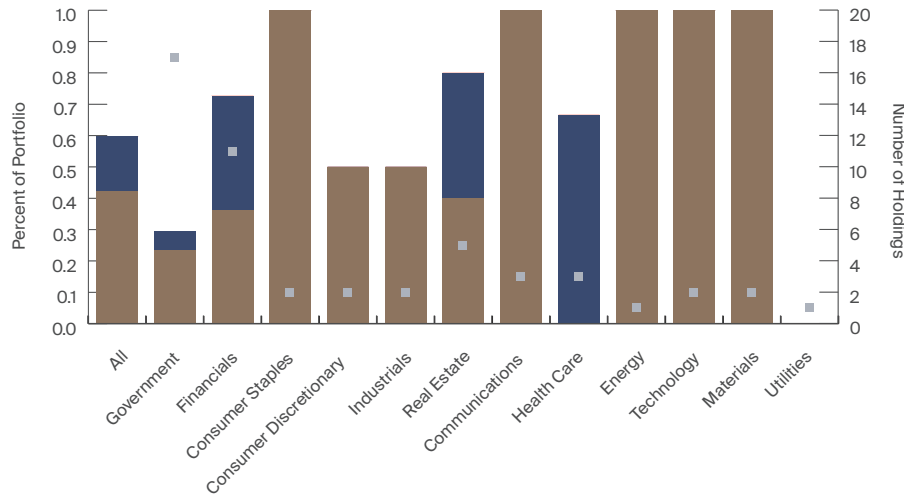
KK Fund is a non-banking financial institution headquartered in Kandal, Cambodia. Their lending products include motor leasing loans, agriculture loans, and electronic equipment loans. KK Fund’s focus is on women clients, who represent almost 70% of its client base. KK Fund supported an estimated 100 women to lease affordable motor vehicles that are used by the majority of the women to commute to work or to support the running of their small businesses. Access to affordable mobility is expected to support these women to reintegrate into or remain in the workforce.



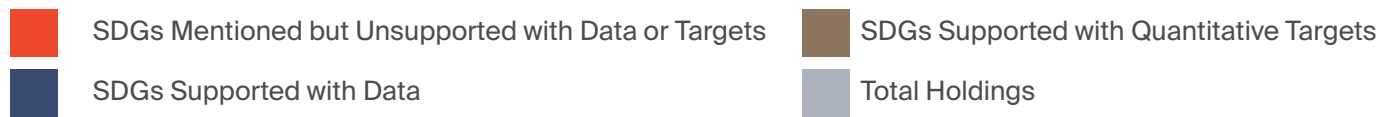
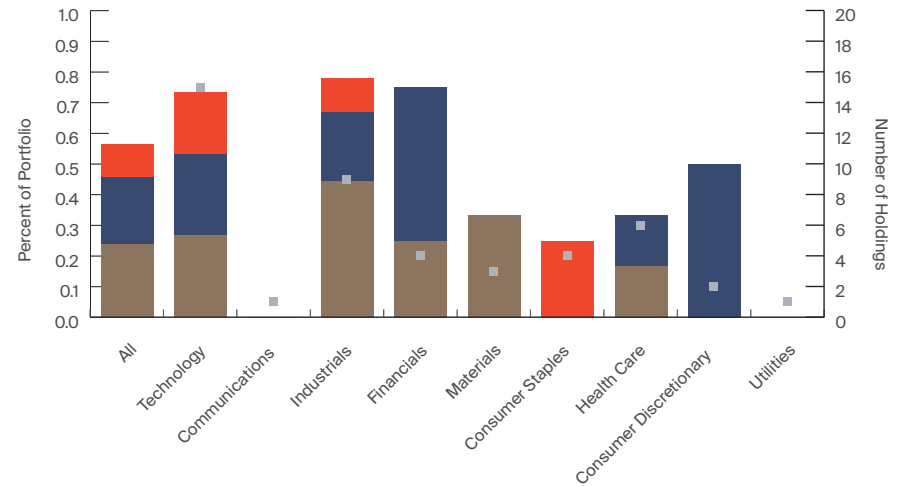
As of March 31, 2025 unless noted otherwise.

# Sustainable Development Goal 5: Data Reporting

## SDG 5 Reporting - Saturna Sustainable Bond Fund



## SDG 5 Reporting - Saturna Sustainable Equity Fund



As of March 31, 2025 unless noted otherwise.



## Sustainable Development Goal 6: Clean Water and Sanitation

The first target under SDG 6, Target 6.1, is, “By 2030, achieve universal and equitable access to safe and affordable drinking water for all.” In the last two decades investment in drinking water services has led to considerable increases in access. Two billion people globally gained access to safely managed drinking water services. In 2020, 74% of the world’s population used safely managed drinking water, up from 62% in 2000. Despite this progress, there are wide geographical disparities, and **2 billion people still do not use safely managed drinking water**. Water continues to be at the center of the global climate crisis, with roughly half of the world’s population is currently experiencing water scarcity for at least part of the year. Unpredictable weather patterns, droughts, and floods are only expected to put additional pressure on resources.

Investing in water access goes beyond just improving the lives of people. In a report published last year from the Global Commission on the Economics of Water, they show that the **water crisis caused by climate change could represent an 8% loss in gross domestic product (GDP) in countries around the world on average, and as much as a 15% loss in lower income countries**. Closing the funding gap on SDG 6 will be essential for building climate resilience and adapting to the forthcoming challenges. As we look at issuers and corporations, we consider water use, efficiency, and how well they are positioned for water resilience.

**Average Water Use Intensity**  
(cubic meters/millions in USD sales)



As of March 31, 2025 unless noted otherwise.

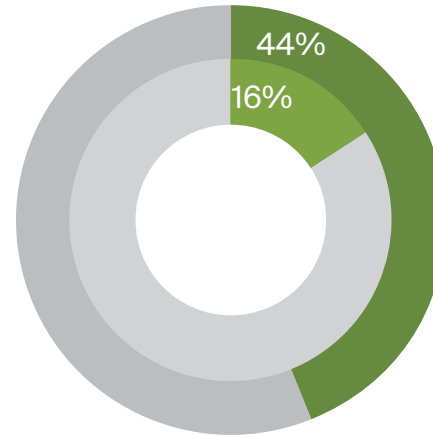
# Clean Water and Sanitation

## KPI Data

A strong water management program must include water use reporting, monitoring, and measurement, water reduction targets, and deadlines combined with initiatives to reduce freshwater use. The company must have a policy commitment to reduce water use. There must also be managerial responsibility for water use.

Portfolio-level KPIs showcase more holdings with strong water management programs versus the MSCI ACWI Index.

## Water Intensity Relative to the MSCI ACWI



Saturna Sustainable Bond Fund has **16%** of the average water intensity of the MSCI ACWI.

Saturna Sustainable Equity Fund has **44%** of the average water intensity of the MSCI ACWI.

- Saturna Sustainable Equity Fund
- Saturna Sustainable Bond Fund

## Company Has a Strong Water Management Program

	1 Year Change	2025	2024	2023	2022	2021
MSCI ACWI Index	-3%	26%	29%	27%	28%	29%
Saturna Sustainable Bond Fund	-11%	33%	44%	22%	33%	60%
Saturna Sustainable Equity Fund	-17%	17%	33%	43%	50%	68%

Percent of holdings/constituents reporting (by number of holdings)

As of March 31, 2025 unless noted otherwise.

## Case Study: African Development Bank Social Bonds

# WATER INFRASTRUCTURE, FOOD SECURITY, AND SUSTAINABLE FOOD SYSTEMS

<b>SDG Target 6.4</b>	2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.
<b>Key Themes</b>	Water Infrastructure, Food Security, and Sustainable Food Systems
<b>Holdings</b>	0.8% of Saturna Sustainable Bond Fund in African Development Bank's Pound-denominated Social Bonds

Funds raised from the 2023 social bond transaction were used to finance eligible social projects in accordance with the African Development Bank's (AfDB) Social Bond Program, with the goal to promote sustainable economic development and social progress in Africa. Projects financed with proceeds of the GBP-denominated Social Bond were dedicated to lead to poverty reduction and job creation. The projects are also expected to boost inclusive growth across age, gender, and geography, thus improving the quality of life for the people of Africa.

The AfDB's social portfolio impact has reached over 200 million beneficiaries, **including helping 7.8 million people to gain better access to water and sanitation**. The bank has around a decade of sustainable issuance, with US \$12.3 billion issued for social bonds.

### Social Portfolio Aggregate Impact Reporting (as of December 2024)

<b>10.2 million tons</b> Increase in annual farm production	<b>8.3 MTCO<sub>2</sub>e</b> GHG emissions reduced or avoided annually	<b>1.2 million</b> Jobs created / safeguarded	<b>484,000</b> People Trained	<b>7.8 million</b> People with better access to water and sanitation
<b>287,000</b> MSMEs supported with access to financing	<b>2.3 million</b> People with better access to electricity	<b>1.4 million hectares</b> Arable land irrigated or developed for farming	<b>566,000 m<sup>3</sup>/day</b> Water produced	<b>200.5 million</b> Beneficiaries

As of March 31, 2025 unless noted otherwise.

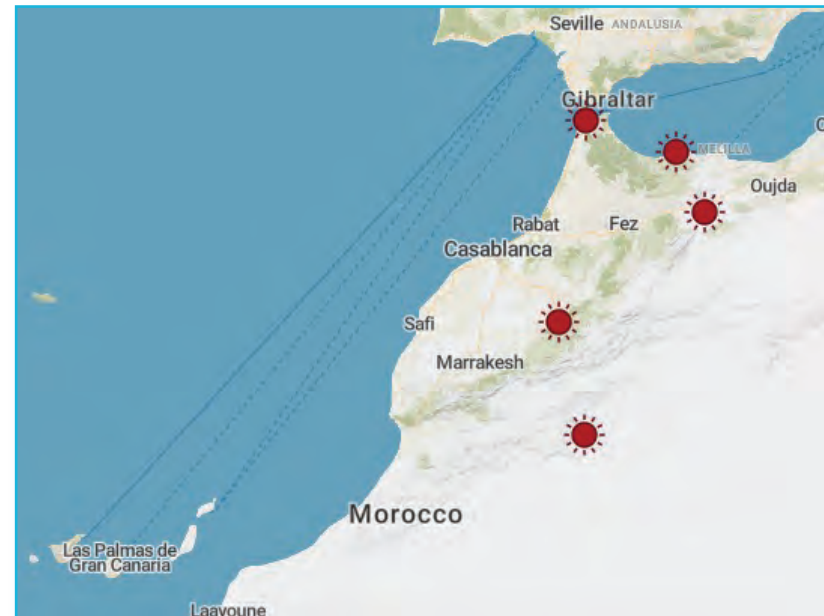
## Project Highlight: Water Access Sustainability Security Project in Morocco

Over the past three decades, Morocco has experienced a 20% decrease in rainfall, resulting in a significant drop in both groundwater and surface water levels. Morocco's situation is symptomatic of a growing freshwater shortage heightened by population growth. The situation threatens all areas of activity, from services to agriculture and industry to tourism. The main goal of the Water Access Sustainability and Security Project (PPSAE) is to secure access to drinking water in the Guercif, Zagora, Al Hoceima, Tangier, and Béni Mellal provinces of Morocco. There is urgency for these kinds of projects due to water stress in those regions. Ultimately these projects are set to benefit 2.5 million people initially, and 3.3 million people by 2040.

The project implementation was driven mainly by the need to ensure the sustainability and security of drinking water resources for a population of about 2.5 million in regions characterized by:

- Insufficient infrastructure to meet the urgent water needs of the populations in El Hoceima and Zagora
- A significant industrial boom (Tanger Tech and Tadla Agropole)
- A significant depletion of the exploited water table (Guercif) and a risk of pollution of the existing raw water resources (Tanger)

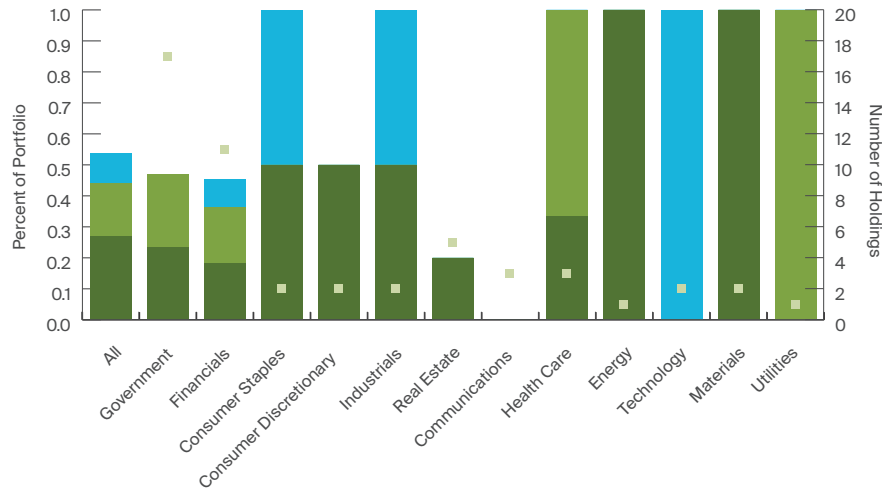
The project is designed to secure access to drinking water in both urban and rural areas, both improving quality of drinking water, access to water, and to make drinking water affordable. This includes constructing three separate treatment plants, expanding capacity, and strengthening water systems in the targeted regions.



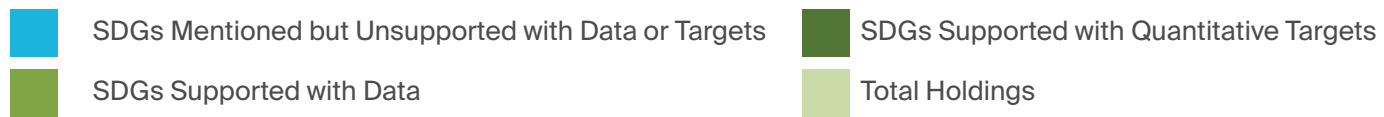
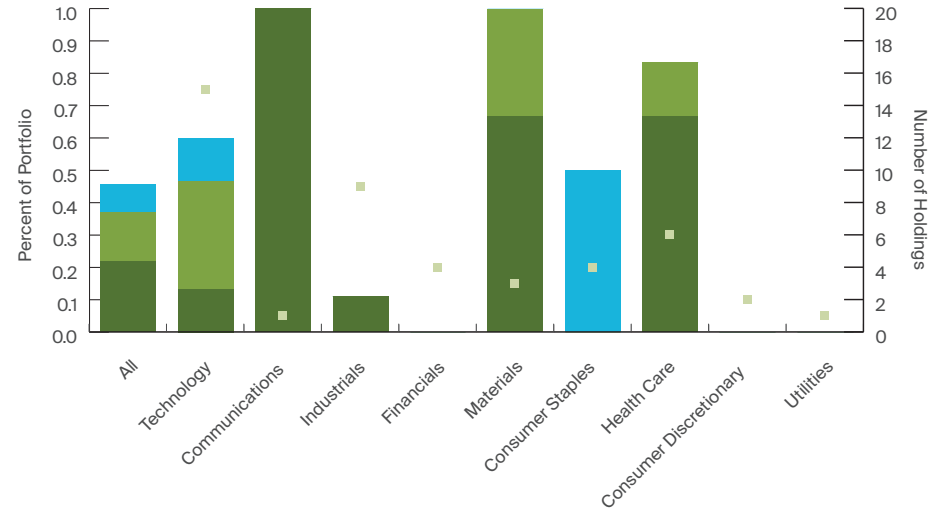
*As of March 31, 2025 unless noted otherwise.*

# Sustainable Development Goal 6: Data Reporting

## SDG 6 Reporting - Saturna Sustainable Bond Fund



## SDG 6 Reporting - Saturna Sustainable Equity Fund



As of March 31, 2025 unless noted otherwise.



## Sustainable Development Goal 7: Affordable and Clean Energy

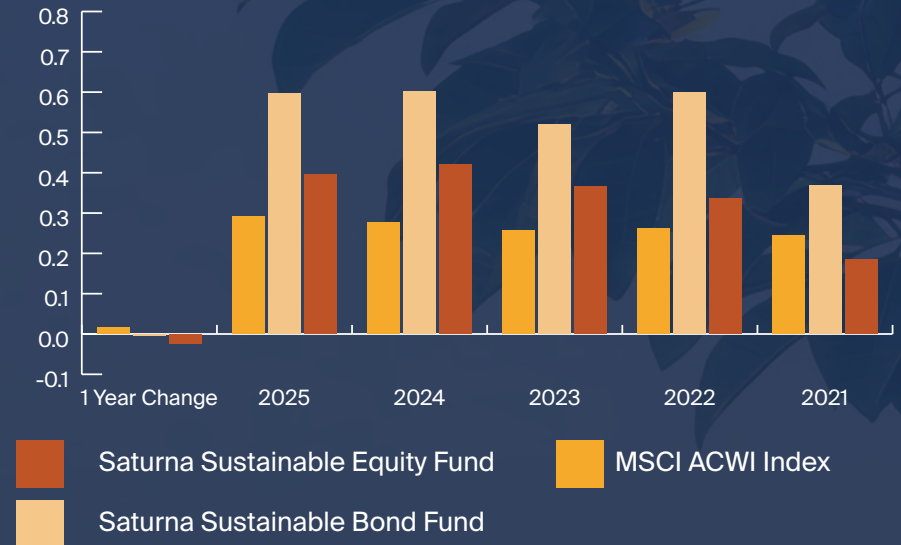
Sustainable Development Goal 7 focuses on access to clean, affordable energy necessary to drive development of education, business, agriculture, medicine, and transportation across the world. As emissions from energy production and consumption are a primary contributor to climate change, a delicate balance must be met to ensure that economic development is aligned with a sustainable future. This balance has become much more difficult with the introduction of artificial intelligence (AI), a technology that compounds the already-massive electricity consumption of data centers.

In the United States, data center energy use is expected to triple by 2028.

- In 2023, data centers consumed 4.4% of US electricity, with data center energy use expected to grow to up to 12% of total electricity consumption by 2028.
- Globally, data centers accounted for 1.5% of total energy consumption last year, with servers devoted to AI accounting for 15–25% of data center energy use. Data center electricity use globally is expected to double from 2024–2026.

Data centers are the backbone of the global economy, powering banking, cloud storage, communications, emergency services, healthcare, and logistics. Creative and immediate solutions are needed to address both the negative climate impact and the physical climate risks associated with data center sites across the world.

### Average Renewal Energy Percentage



Both Saturna Sustainable Bond Fund and Saturna Sustainable Equity Fund have holdings with higher renewable energy use on average relative to the MSCI ACWI Index.

As of March 31, 2025 unless noted otherwise.

## Largest and Smallest Users of Renewable Energy Amongst the Fund's Corporate Holdings

Smallest Renewable Energy Users	Total Renewable Energy Use/ Total Energy Use	Largest Renewable Energy Users	Total Renewable Energy Use/ Total Energy Use
<b>Saturna Sustainable Equity Fund</b>			
Ferguson Enterprises Inc	0.16%	Microsoft	98.15%
Fuji Electric Co., Ltd.	1.28%	Accenture, Class A	94.91%
Canadian Pacific Kansas City Ltd	1.88%	Dassault Systemes ADR	84.00%
Eli Lilly	2.49%	Apple	82.12%
<b>Saturna Sustainable Bond Fund</b>			
Natura Cosmeticos SA	13.59%	Koninklijke KPN	91.99%
Munich RE	34.62%	RELX	83.63%
Novartis Capital Corp	43.55%	Commonwealth Bank Australia	80.83%
Stora Enso	47.24%	Koninklijke Philips NV	77.07%

*As of March 31, 2025 unless noted otherwise.*

## Affordable and Clean Energy

### KPI Data

#### Implemented Renewal Energy Program Quantitative Targets with Clear Deadline

	1 Year Change	2025	2024	2023	2022	2021	2020	2019
MSCI ACWI Index	4%	48%	44%	34%	28%	19%	15%	17%
Saturna Sustainable Bond Fund	-3%	79%	82%	75%	88%	67%	70%	41%
Saturna Sustainable Equity Fund	-12%	69%	81%	76%	78%	58%	40%	32%

#### More Than 10% Of Company's Primary Energy Use Comes From Renewable Energy Sources

	1 Year Change	2025	2024	2023	2022	2021	2020	2019
MSCI ACWI Index	4%	66%	61%	57%	58%	54%	16%	22%
Saturna Sustainable Bond Fund	7%	100%	93%	88%	95%	80%	80%	36%
Saturna Sustainable Equity Fund	2%	85%	83%	77%	81%	54%	53%	46%

#### Percentage of Renewable Energy Use

	1 Year Change	2025	2024	2023	2022	2021
MSCI ACWI Index	2%	29%	28%	26%	26%	24%
Saturna Sustainable Bond Fund	0%	60%	60%	52%	60%	37%
Saturna Sustainable Equity Fund	-2%	40%	42%	37%	34%	18%

*Percent of holdings/constituents reporting (by number of holdings)*

*As of March 31, 2025 unless noted otherwise.*

## Case Study: Koninklijke KPN NV (KPN)

ENERGY EFFICIENCY, NET ZERO,  
ARTIFICIAL INTELLIGENCE

<b>SDG Target 7.2</b>	By 2030, increase substantially the share of renewable energy in the global energy mix.
<b>SDG Target 7.3</b>	By 2030, double the global rate of improvement in energy efficiency.
<b>Key Themes</b>	Energy Efficiency, Net Zero, Artificial Intelligence
<b>Holdings</b>	4.24% in Saturna Sustainable Bond Fund

Koninklijke KPN NV (KPN) is the leading provider of telecommunications services in the Netherlands, offering services to over a third of the market across mobile, home broadband, and business broadband segments. KPN can be viewed as a climate transition leader, executing an array of initiatives that align with their value proposition while ensuring a strategic approach to climate impact mitigation.

### Energy Efficiency and Emission Reduction Excellence

In 2011, KPN completed the transition to 100% renewable energy usage across their operations, and therefore the company has zero market-based Scope 2 emissions. KPN's Scope 1 emissions, primarily derived from transitioning their fleet away from fossil fuels and gas-based heating in their buildings, and

Scope 3 emissions, derived from all emissions across their value chain, also have 90% reduction targets by 2040 compared to the 2015 baseline. These goals are supported by medium-term targets that are verified by the SBTi, an important validation measure to ensure goals are attainable, in-line with a 1.5 degrees Celsius trajectory, and that they will be sustained into the future.

As of 2023, KPN achieved a remarkable 42% reduction in absolute energy consumption compared to 2010, while data communication volume on their network increased 28x over the same period. KPN's impressive reduction efforts reflect efficiency gains across all areas of their business, marking substantial progress toward their target of reducing electricity consumption by 48% by 2030 compared to the 2010 base.

### Data Center Leadership

KPN owns and operates four primary data centers across the Netherlands and sources data center services from various external data centers. KPN-owned data centers are already performing on 100% renewable energy and their external data centers are operating on over 90% renewable energy. KPN maintains a target of 100% renewable energy sourcing for external data centers by 2030, demonstrating the company's ambition to not only operate on clean energy, but to reduce upstream value chain emissions and energy use.

*As of March 31, 2025 unless noted otherwise.*

## “Fiber On, Copper Off:” Reducing Energy Waste Across Operations

KPN benefits from the multi-decade trend away from copper cables, favoring fiber optics as the primary transmission infrastructure for network data. Fiber optic cabling offers many benefits compared to copper, including faster speeds over longer distances, longer lifecycles, and importantly, lower energy use. Although copper is cheaper for now, fiber is expected to persist through technological advances over time as copper cabling will slowly get phased out in the world of connectivity. In 2022, KPN had 1,300 technical operations buildings on their legacy copper network. Over time, the company plans to discontinue most of these sites in favor of around 160 “future-proof” technical buildings on the fiber network, reducing land use while saving close to 500 MWh of energy per year – equivalent to around 200 households. So far, much progress has been made. KPN now serves over 50% of customers via their fiber network, and future expansion will continue in-line with demand growth.

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## Hyperscalers need to expeditiously take action to meet goals and ensure sustainable operations

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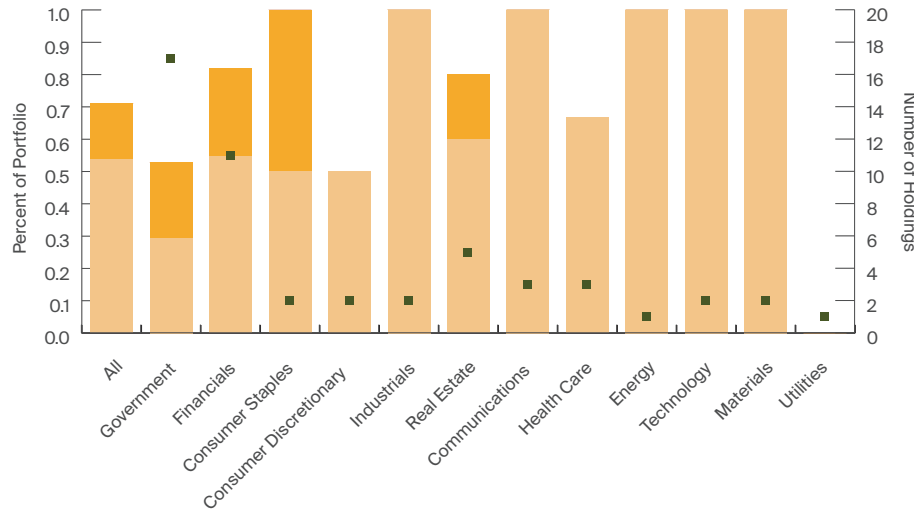
While KPN's climate initiatives offer a credible and thorough path toward Net Zero targets, an enormous hurdle remains for the industry. According to analysis performed by the International

Energy Agency, global electricity demand from data centers, AI, and cryptocurrencies could reach 1,000 terawatt hours (TWh) by 2026 in their worst-case scenario. KPN's continuing efforts to reduce Scope 2 emissions is commendable, but their total energy use of 446 GWh in 2023 is just a drop in the bucket. Hyperscalers need to expeditiously take action to meet goals and ensure sustainable operations, such as embracing nuclear power and moving data centers closer to renewable energy generation sites. Simultaneously, data center providers should maintain green power purchase agreements and purchase of renewable energy certificates, supplementing their longer-term initiatives with shorter-term diversion of capital into climate-forward projects.

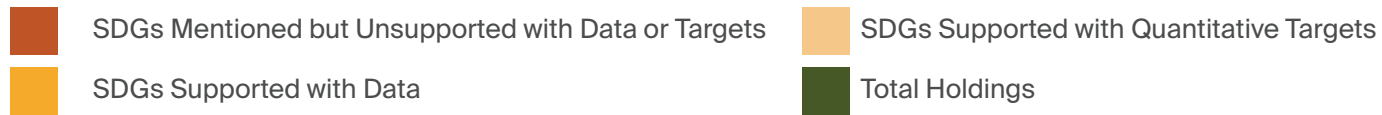
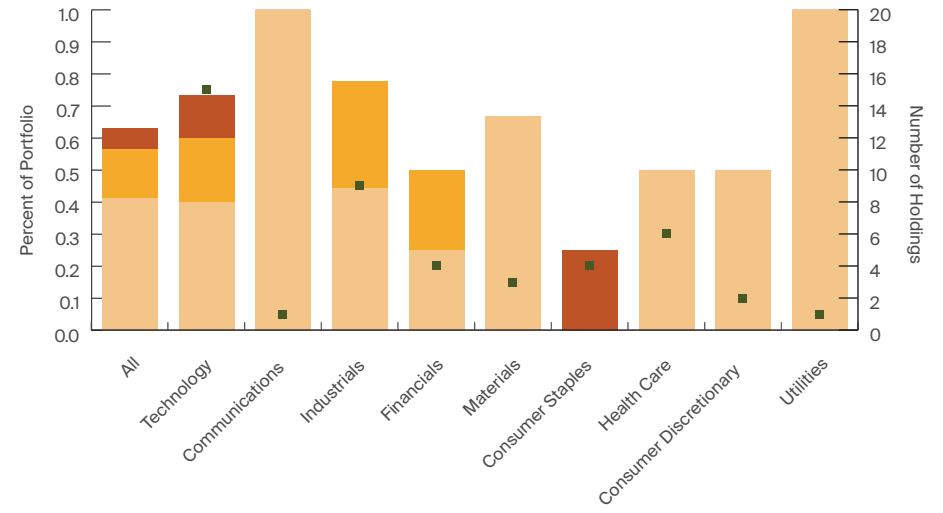
*As of March 31, 2025 unless noted otherwise.*

# Sustainable Development Goal 7: Data Reporting

## SDG 7 Reporting - Saturna Sustainable Bond Fund



## SDG 7 Reporting - Saturna Sustainable Equity Fund



As of March 31, 2025 unless noted otherwise.



## Sustainable Development Goal 8: Decent Work and Economic Growth

### Building a Solid Economic Foundation Through Natural Capital

Biodiversity functions as natural capital that directly underpins economic activity across numerous sectors. More than 50% of global GDP – approximately \$44 trillion in economic value – depends on natural resources and ecosystem services. This dependency is particularly pronounced in developing countries where natural capital accounts for significant portions of total wealth. For instance, natural capital represented 41% of total wealth for low-income countries in 1995 and 30% in 2005. Even looking at forest resources alone, they support the livelihoods of more than 1.5 billion people around the world. The discussion of SDG 8, Decent Work and Economic Growth, is incomplete without also discussing the importance of nature and natural capital.

Biodiversity serves as a critical foundation for economic prosperity and financial stability, with nature providing ecosystem services valued at approximately \$179 trillion annually – 1.7 times greater than global GDP. Understanding this relationship is essential for investors and policymakers as biodiversity loss poses substantial risks to economic growth while conservation and restoration present significant investment opportunities.

Research demonstrates that 85% of the world's largest companies have significant dependencies on nature across their direct operations, making biodiversity loss a material financial risk. A World Bank study of Malaysia found that partial ecosystem collapse could cause 6% annual GDP loss by 2030 – equivalent to the economic impact of the COVID-19 crisis. Similarly, physical nature risks could reduce UK bank valuations by 4%–5% over the next decade.

### Return on Investment

Biodiversity conservation and restoration generate exceptional investment returns across multiple timeframes and metrics. Comprehensive analysis reveals that every dollar invested in restoration activities provides an estimated \$7–\$30 return in economic benefits, with some studies indicating returns exceeding this range. However, only around 5% of total climate finance is used to financing land-use projects and funding for restoration is a small fraction of that category. \$355 billion in funds is needed per year, and currently the world is falling short by over \$278 billion annually. However, land restoration presents potential benefits of \$1.8 trillion in annual returns if proper investment is made, presenting an important opportunity.

*As of March 31, 2025 unless noted otherwise.*

## Decent Work and Economic Growth

### KPI Data

SDG 8: Decent Work and Economic Growth helps promote sustainable and inclusive economic growth, paving the road for poverty reduction and the improvement of global living standards. SDG 8 targets job creation, decent work conditions, and sustainable economic practices. These goals aim to ensure full, productive and ethical employment, including the reduction of youth unemployment and elimination of forced labor. Additionally, SDG 8 promotes financial inclusion by addressing inequalities, ultimately leading to a more stable and equitable global economy.

Saturna looks at both internal and supply chain metrics to assess our holding's alignment with SDG 8. Our first key performance indicator (KPI), "Company has initiatives to reduce the social risks in its supply chain", identifies companies that explicitly address and mitigate supply chain risks such as child or forced labor, unsafe working conditions, and a lack of competitive pay. Our second KPI, "Company initiatives to train new and existing employees on career development available to employees at all levels" helps assess each company's initiatives to train and develop employees of all ages and skill levels.

### Company Has Initiatives to Reduce the Social Risks in Its Supply Chain

	1 Year Change	2025	2024	2023	2022	2021	2020
MSCI ACWI Index	3%	91%	88%	82%	83%	78%	73%
Saturna Sustainable Bond Fund	-4%	90%	94%	93%	95%	100%	89%
Saturna Sustainable Equity Fund	2%	98%	96%	96%	96%	90%	91%

### Company Initiatives to Train New and Existing Employees on Career Development Available to Employees at All Levels

	1 Year Change	2025	2024	2023	2022	2021	2020
MSCI ACWI Index	1%	98%	97%	94%	94%	88%	85%
Saturna Sustainable Bond Fund	-1%	87%	88%	97%	95%	95%	93%
Saturna Sustainable Equity Fund	4%	100%	96%	96%	94%	92%	95%

*Percent of holdings/constituents reporting (by number of holdings)*

*As of March 31, 2025 unless noted otherwise.*

## Case Study: Aviva

# BIODIVERSITY, SUSTAINABLE SUPPLY CHAINS, JOB CREATION

<b>SDG Target 8.4</b>	Improve progressively, through 2030, global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.
<b>Key Themes</b>	Biodiversity, Sustainable Supply Chains, Job Creation
<b>Holdings</b>	3.05% of Saturna Sustainable Equity Fund

Aviva is a British multinational insurance company headquartered in London that specializes in general insurance, life insurance, asset management, and retirement solutions for individuals and businesses. As part of the company's ambitious 2040 Net Zero target, they recognized that along with decarbonization, they also needed to focus on nature-based solutions.

Aviva's Biodiversity Policy explicitly covers underwriting and investment activities, as well as operations of the business itself. This comprehensive coverage ensures that biodiversity considerations are embedded across all business functions rather than treated as a separate initiative. It establishes seven fundamental principles that guide decision-making across all business operations.

These principles include:

1. Protecting and restoring biodiversity (not just minimizing loss)
2. Identifying and managing biodiversity impacts and dependencies
3. Collaborating with others to improve measurement and disclosure
4. Engaging companies as stewards
5. Acting for progress while evolving approaches
6. Championing biodiversity through operations and supply chains
7. Prioritizing areas of greatest impact

*As of March 31, 2025 unless noted otherwise.*

# Biodiversity, Sustainable Supply Chains, Job Creation

## Direct Investment in Ecosystem Restoration

Aviva's operational biodiversity integration extends to direct investment in nature-based solutions that create co-benefits for supply chain partners. In 2021, Aviva set an aim to spend £100 million on nature-based carbon removals which provide social and economic benefits to communities by 2030. So far, the company has committed £87 million to nature-based solutions in the UK, Ireland, and Canada, which deliver carbon sequestration, biodiversity gain, improved climate resilience, and social and community benefits. Some examples include:

- £38 million partnership with The Wildlife Trusts to restore Britain's lost temperate rainforests
- Investment in forestry operations training programmes in Scotland that address skills shortages while creating green jobs
- Support for Indigenous-led restoration projects in Canada through WWF partnerships

These types of investments demonstrate how operational biodiversity initiatives can create multiple co-benefits. Beyond the benefits to businesses and economies, it's equally important for companies to consider risks related to natural capital. In 2022, Aviva published a biodiversity risk report. They found that 26% of their corporate holdings had exposure to deforestation, of which 38% are only weakly managing this risk. By 2023 they were further integrating supply chain mapping, to look at deforestation exposure in commodity supply chains and mitigate deforestation

impact associated with commodity producers and traders. Aviva investors is a member of the Finance Sector Deforestation Action (FSDA) group, working to eliminate commodity-driven deforestation from portfolios.

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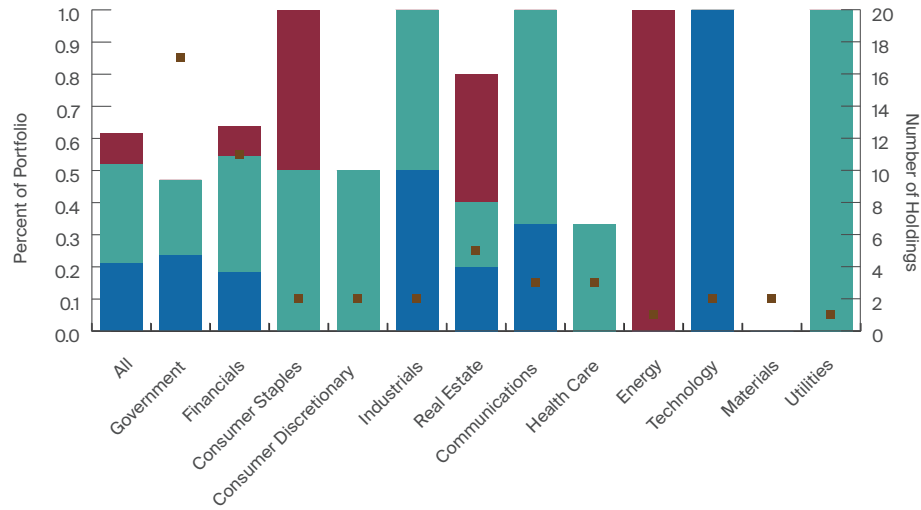
Natural capital is an essential consideration for business operations. Aviva has integrated supply chain mapping to look at deforestation exposure, risk, and mitigation within their corporate holdings.

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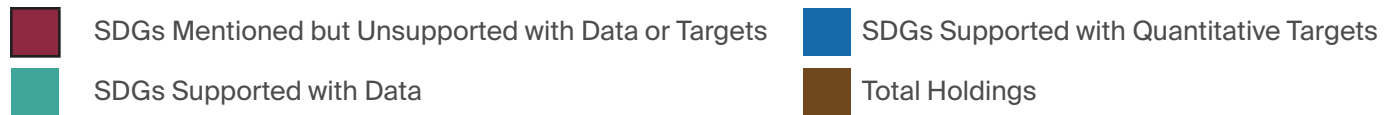
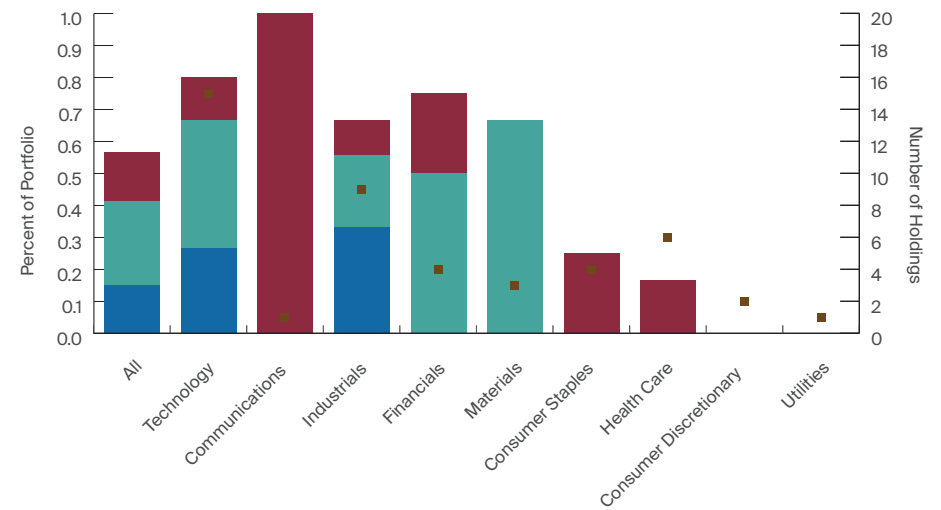
*As of March 31, 2025 unless noted otherwise.*

# Sustainable Development Goal 8: Data Reporting

## SDG 8 Reporting - Saturna Sustainable Bond Fund



## SDG 8 Reporting - Saturna Sustainable Equity Fund



As of March 31, 2025 unless noted otherwise.

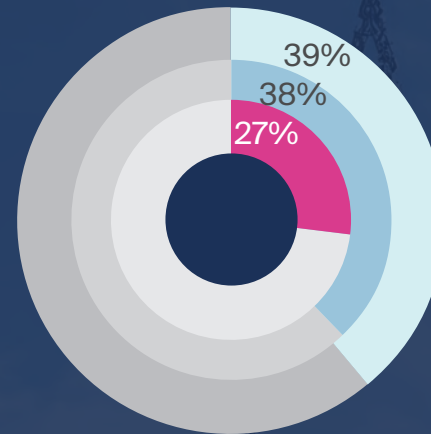


## Sustainable Development Goal 10: Reduced Inequalities

A review by *As You Sow* and *Whistle Stop Capital* of over 1,600 companies found that manager diversity is positively associated with key financial performance indicators, including return on equity and invested capital, revenue growth, and share price performance. However, despite the business case, news stories have hit the headlines since the beginning of 2025, detailing companies that have dropped or changed goals and disclosures related to racial and gender equity. **The one clear trend in 2025 is that the legal and political landscape has grown more complex in the United States.**

While much is still in flux, many companies that appear to have cancelled their diversity, equity, and inclusion (DEI) programs are not really eliminating them, instead they are just rebranding and reorganizing to escape potential lawsuits. According to research done by the *New York Times*, 78% of companies in the S&P 500 that filed reports continue to discuss diversity and related initiatives, but many have softened language. For example, they use the word “belonging” instead of “equity,” and are removing specific mentions of DEI.

### Average Board Cultural Diversity



*Both Sustainable Funds on average have significantly more cultural diversity on the board versus the MSCI ACWI.*

- Saturna Sustainable Equity Fund
- Saturna Sustainable Bond Fund
- MSCI ACWI Index

*As of March 31, 2025 unless noted otherwise.*

## Reduced Inequalities

These changes are seen unequally across industries. For example, only 31% of health care companies made substantial adjustments this year, but an overwhelming 78% of IT firms did make changes, commonly removing or reframing DEI language. This likely reflects sector exposure to political scrutiny, legal risk and reputational sensitivity. We are also seeing decreases in workforce disclosure demographics, with a 16% reduction in disclosure of women in management in the S&P 500, and a 13% reduction of the same statistic in the Russell 3000. One of the most striking declines has been seen in board diversity disclosures. The disclosure of aggregate female directors fell from 90% to 60% in the S&P 500, and from 83% to 46% in the Russell 3000. These changes don't necessarily mark a wholesale departure from transparency but does show an approach that reflects risk mitigation from a legal perspective. While our hope is that internal data collection is still ongoing, and potentially able to guide company strategy, the onus is on investors at this point to conduct a thorough due diligence. We are facing a more challenging environment regarding data availability. The ongoing challenge is to distinguish corporations chasing what is deemed socially expedient, from those that are still pursuing equity but attempting to avoid lawsuits or political backlash.

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The disclosure of aggregate female directors fell from 90% to 60% in the S&P 500, and from 83% to 46% in the Russell 3000.

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*As of March 31, 2025 unless noted otherwise.*

## Reduced Inequalities

### KPI Data

Portfolio-level KPIs continue trend of strong anti-discrimination policies versus the MSCI ACWI Index.

The KPIs we present are focused on corporate policies concerning discrimination and diversity. To meet these KPIs, a company must list the types of discrimination they are committed to eliminate, and they must also reference the International Labour Organization conventions to ensure equal opportunity.

### Company has Strong Discrimination Policy

	1 Year Change	2025	2024	2023	2022	2021	2020	2019
MSCI ACWI Index	5%	41%	36%	29%	26%	20%	17%	21%
Saturna Sustainable Bond Fund	13%	63%	50%	54%	45%	41%	46%	46%
Saturna Sustainable Equity Fund	-3%	53%	57%	60%	64%	57%	55%	45%

A strong diversity program must include mentorship programs, managerial or board level responsibility for diversity initiatives, as well as diversity monitoring or audits. However, they must also have initiatives to not only recruit from diverse talent, but also to support a diverse workforce. The Sustainable Equity fund continued strong trend relative to the MSCI ACWI. The Sustainable Bond fund, while still outperforming our benchmark, did see some portfolio-level declines. This was largely driven by companies that have otherwise solid programs but lack training and guidance regarding diversity. We do look for future positive trends in diversity policies and track our holdings closely.

### Company has a Strong Diversity Program

	1 Year Change	2025	2024	2023	2022	2021	2020	2019
MSCI ACWI Index	1%	21%	20%	19%	19%	18%	17%	22%
Saturna Sustainable Bond Fund	5%	30%	25%	46%	51%	59%	55%	57%
Saturna Sustainable Equity Fund	-2%	36%	38%	30%	40%	38%	35%	34%

*Percent of holdings/constituents reporting (by number of holdings)*

*As of March 31, 2025 unless noted otherwise.*

## Case Study: Accenture

<b>SDG Target 10.2</b>	By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.
<b>Key Themes</b>	Diverse Leadership, Equitable Health Care Access
<b>Holdings</b>	2.31% in Saturna Sustainable Equity Fund

Accenture received recognition as a DEI Lighthouse in the World Economic Forum’s 2025 report. The company has championed inclusion and diversity for nearly 30 years, with LGBTQI+ inclusion as a priority for over 20 years. Two years ago, Accenture launched “Pride Means More” to enhance LGBTQI+ support and drive change.

The initiative supports employees through expanded Pride networks, inclusive policies, and leadership development. For business operations, it focuses on inclusive hiring, supplier diversity, and client engagement. Accenture also partners with non-governmental organizations, advocates for LGBTQI+ rights, and coordinates volunteer efforts to benefit the broader community.

- The workforce participated in 115 Pride-related events in FY24, a 15% increase compared to FY23.
- The company celebrated Pride publicly in 47 countries in FY24, a 68% increase compared to FY23.
- Approximately 47% of the company’s managing directors are allies.
- Equal access to medical plans for same-sex partners and/or recognized domestic partners is offered to 100% of employees where currently provided to spouses (where legally allowed and available in market).
- Coverage for transgender-inclusive healthcare benefits is accessible to 100% of employees through Accenture-sponsored medical plans or government-provided plans (where legally allowed and available in market).

To achieve sustained impact across all the countries where Accenture operates, the company developed an Inclusion and Diversity Maturity Model, which assesses the alignment of country-level Programs, including Pride Means More, with Accenture’s global Inclusion and Diversity strategy. The model generates actionable insights and recommendations based on KPIs to measure the maturity of the program in each country. The model features a dashboard that provides an average score for each country, ranging from 1 to 100, with scores above 75% indicating a mature level that exceeds expectations.

*As of March 31, 2025 unless noted otherwise.*

## Diverse Leadership, Equitable Healthcare Access

Outside of LGBTQI+ inclusivity, the company has also been a leader in diversity efforts relating to gender and racial equality. However, it's important to acknowledge that even a diversity leader such as Accenture is not immune to the rapidly changing political and legal landscape in the United States. Early in 2025, the company disclosed they would be starting to "sunset" DEI goals set in 2017 due to legal concerns. In 2017, Accenture set a target that half its staff would be women by the end of 2025. It also set a goal for 25 per cent of its managing directors to be women by 2020, a target it later updated to 30 per cent by 2025. They no longer disclose this target or previously set targets for racial diversity in the US and UK. As investors, we are continuously evaluating these changes, parsing the widening divide between what a company discloses relative to internal commitments and corporate strategy. Going forward it will be increasingly important to understand not just the quantitative data available, but also the story and trajectory of our investments.

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As investors, we are continuously evaluating disclosure changes, parsing the widening divide between what a company discloses relative to internal commitments and corporate strategy.

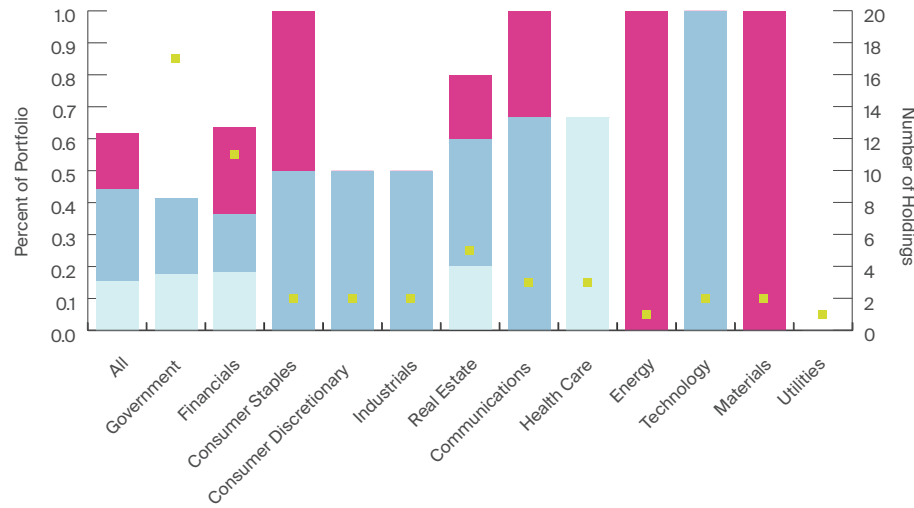
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While they have rolled back DEI targets, they do still disclose employee demographics. According to their 2024 report, 47% of their global workforce are women and 32% of executives are female, much higher than the 19% representation in the MSCI ACWI. The report also shows comparisons to overall US workforce demographic breakdown of racial minorities relative to representation at Accenture. We are pleased to see disclosure but hope to see improvement with only 4% of managing directors African American or Black relative to 11.7% in the US workforce.

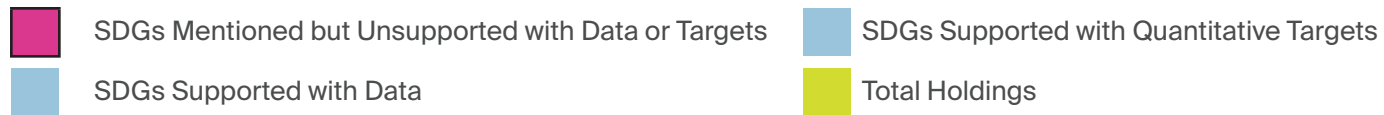
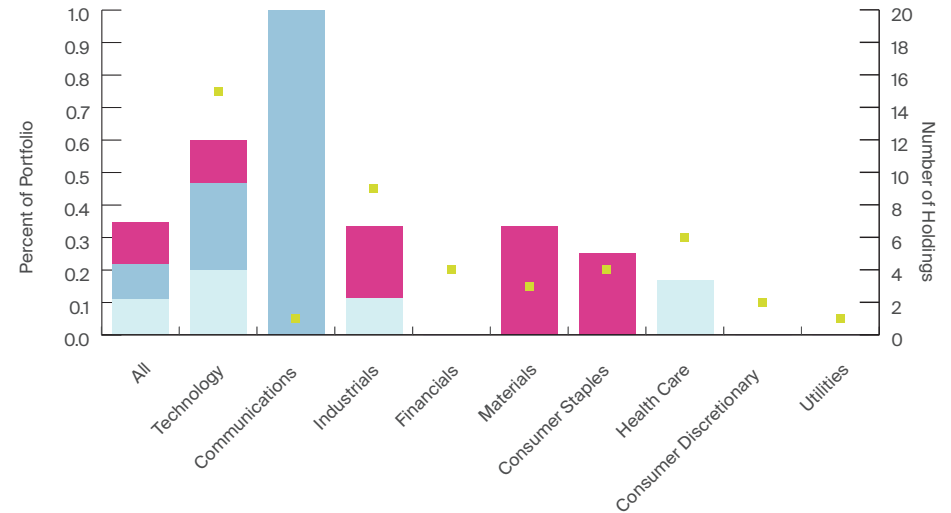
*As of March 31, 2025 unless noted otherwise.*

# Sustainable Development Goal 10: Data Reporting

## SDG 10 Reporting - Saturna Sustainable Bond Fund



## SDG 10 Reporting - Saturna Sustainable Equity Fund



As of March 31, 2025 unless noted otherwise.



## Sustainable Development Goal 11: Sustainable Cities and Communities

The United States has an estimated \$3.7 trillion infrastructure gap. Aging infrastructure necessitates not only urgent investment, but also investment prioritizing resilience. **The U.S. faced 27 billion-dollar disasters during 2024, which caused more than 500 deaths and \$180 billion worth of damages.** But investing in resilience offers hope, because for every dollar invested in resilience, it produces \$13 worth of avoided recovery expenses. Yet critical investments are underfunded, and more than \$9 trillion is needed between now and 2033 to achieve a state of good repair in our national infrastructure.

The municipal bond market in the United States offers an excellent tool to fund this needed infrastructure. With more than 50,000 individual issuers, and US\$4.3 trillion outstanding, the market is unique in the world for its size and scope. State and local governments account for nearly 75% of public infrastructure spending, around three times the contribution of the federal government. Within that spending about 90% is financed with debt, such as municipal bonds. The municipal bond market will need to be a critical tool to achieve SDG 11, finance resilient infrastructure, and help the United States adapt to our changing climate.



*As of March 31, 2025 unless noted otherwise.*

## Case Study: Connecticut Housing Finance Authority (CHFA)

# LOW CARBON BUILDINGS / AFFORDABLE HOUSING

### SDG Target 11.1

By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.

### Key Themes

Low Carbon Buildings | Affordable Housing

### Holdings

1.2% of Saturna Sustainable Bond Fund in 2025 Series B-3 Sustainability Bonds

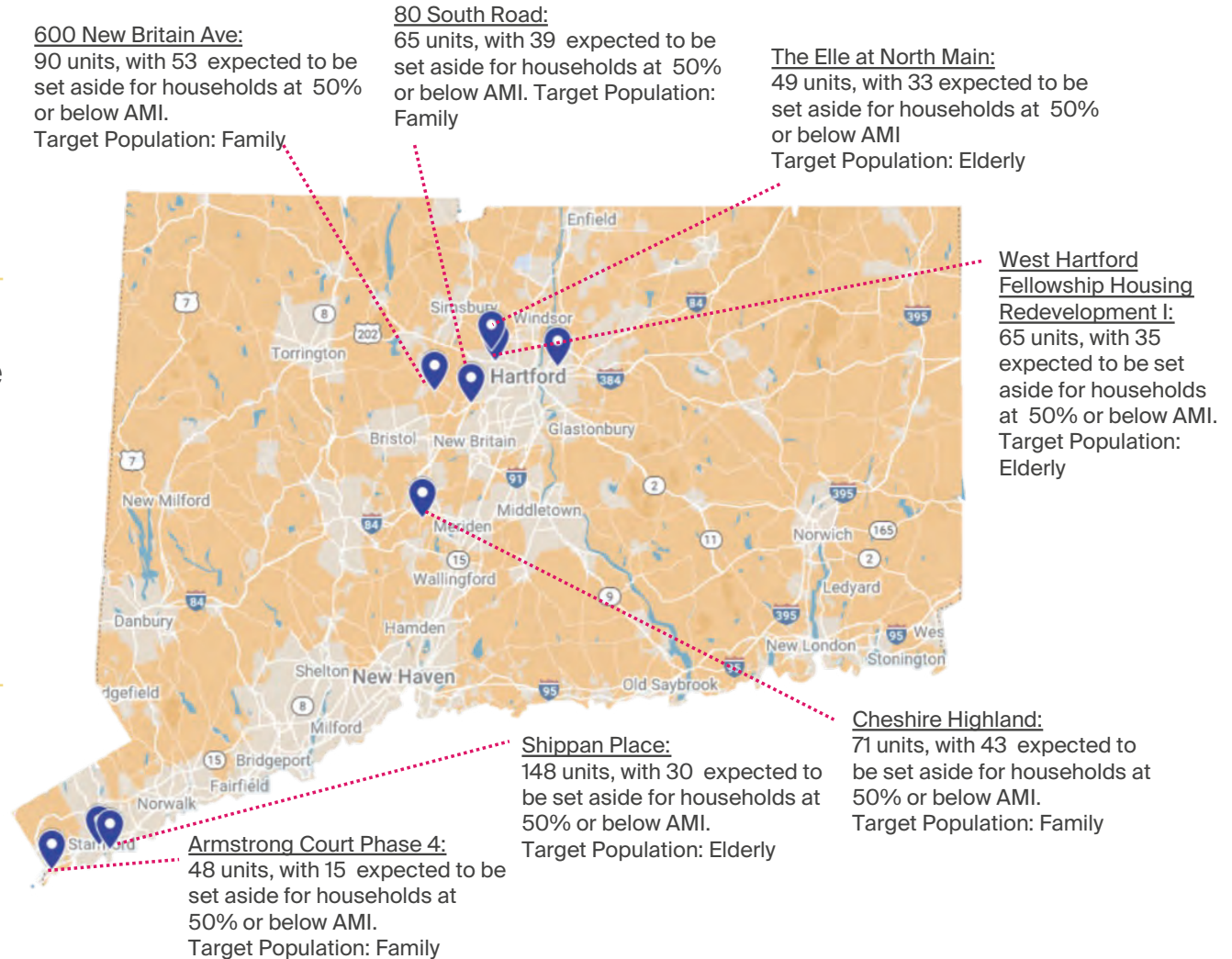
The Connecticut Housing Finance Authority (CHFA) was created 50 years ago to alleviate the shortage of affordable housing. The core mission of CHFA is aligned with the first target of SDG 11, to allow all low-income and moderate-income residents in the state of Connecticut to have the opportunity to live in affordable, safe, and quality housing – in environmentally sustainable and economically healthy communities.

CHFA leverages its financial strength in partnership with public and private investors. The result is that more than 150,000 Connecticut residents have purchased their first homes with a CHFA below-market interest rate mortgage, allowing them to begin building their financial futures. Additionally, CHFA's investments have built or renovated the more than 60,000 affordable multifamily apartments that hundreds of thousands of state residents call home.



*As of March 31, 2025 unless noted otherwise.*

The Series B Sustainability bonds were used to fund multifamily mortgage loans for 10 housing projects around the state, providing **656 affordable units**.

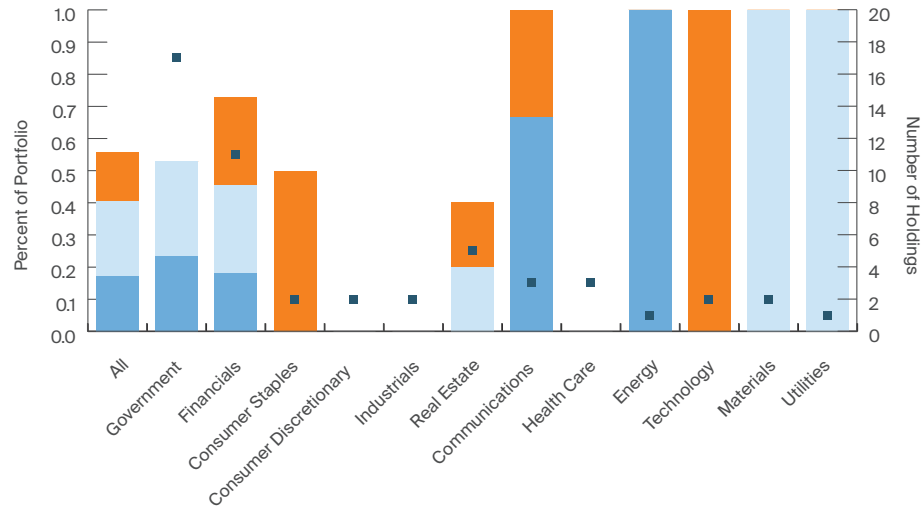


\*AMI – Area Median Income

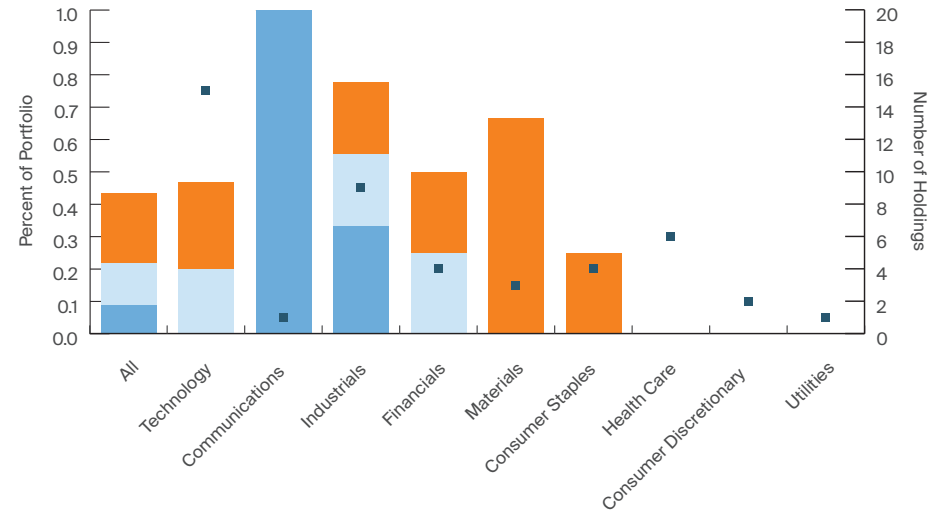
As of March 31, 2025 unless noted otherwise.

# Sustainable Development Goal 11: Data Reporting

## SDG 11 Reporting - Saturna Sustainable Bond Fund



## SDG 11 Reporting - Saturna Sustainable Equity Fund



- SDGs Mentioned but Unsupported with Data or Targets
- SDGs Supported with Data
- SDGs Supported with Quantitative Targets
- Total Holdings

As of March 31, 2025 unless noted otherwise.



## Sustainable Development Goal 13: Climate Action

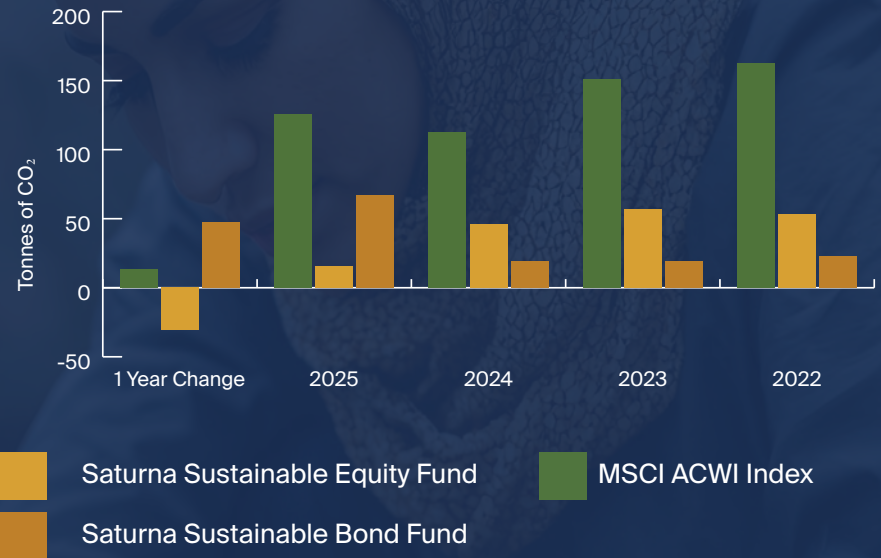
Climate risk is one of the most important considerations for investors.

We could see global gross domestic product losses up to 12% for every degree of warming.

Under this scenario, a 3 degrees Celsius temperature increase could cause declines in output, capital, and consumption that exceed 50% by 2100 – a material risk for investors. Under our current trajectory by 2040 we could see 41% of GDP in British Columbia, Canada be at high risk from wildfire, 50% of GDP in the German state of Niedersachsen exposed to 1-100 year floods, and 100% of GDP in Vietnam and the Philippines exposed to typhoon risk.

Yet the world faces a \$2.7 trillion annual climate funding gap by 2030. Globally there is 55% gap in investments toward reducing emissions, and a staggering 81% gap in finance adaptation and resilience. Early investment in these issues could possibly help. In a net zero scenario, the benefits to the global economy start to outweigh the costs after about a decade and ultimately could save 2% of GDP annually by 2050.

### Weighted Average Carbon Intensity



Carbon intensity is down in the Sustainable Bond Fund, and despite a positive one-year change in the Sustainable Equity fund is still below the MSCI ACWI Index.

As of March 31, 2025 unless noted otherwise.

# Climate Action

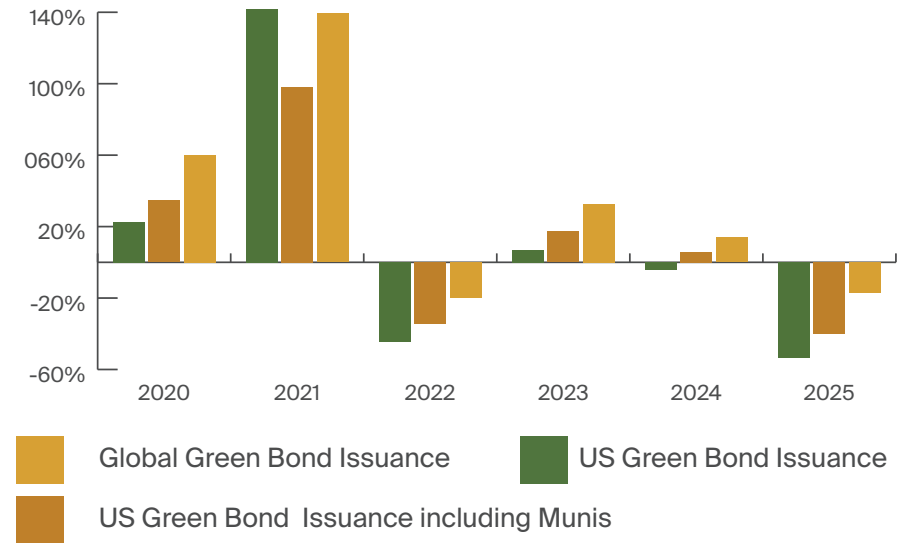
To close this gap, we will need to use all tools available to finance adaptation and transition, especially in emerging markets. **The emerging markets and developing economies account for 95% of the increase in global greenhouse gas emissions. Despite this, they only account for 14% of global climate finance.** The bond market is one of the most scalable tools we have to finance critical infrastructure and climate adaptation.

## Green Bonds

The labeled use of proceeds market, and especially green bonds, have been one such tool increasingly utilized. While green bond issuance in the United States is down 53% through September 30, 2025, versus total 2024 issuance, globally we see a different story. The United States has not historically been a large issuer of green bonds, accounting for only 5% of global green bonds last year, and only 3% of global green bonds through September 2025. When we look at trends incorporating the US municipal bond market, overall issuance in the United States is down 40%, with the municipal bond market only dropping 26%.

Globally, while there is a decline, green bond market volume is only down around 17% so far this year. However beyond the green market, **overall sustainable debt issuance is up** slightly from the first half of 2024 to the first half of 2025. Sustainability bonds saw their strongest half year on record the first six months of 2025, with \$143 billion in issuance – a 2.8% increase. While green bonds issued by American corporations has all but stopped, the rest of the world continues to move forward.

## Year-over-Year Change in Green Bond Issuance



*As of March 31, 2025 unless noted otherwise.*

# Climate Action

## KPI Data

### Discloses Scope 1 and Either Scope 2 or Scope 3

	1 Year Change	2025	2024	2023	2022	2021	2020	2019
MSCI ACWI Index	9%	62%	53%	45%	44%	45%	64%	73%
Saturna Sustainable Bond Fund	0%	100%	100%	100%	84%	83%	100%	88%
Saturna Sustainable Equity Fund	10%	92%	82%	76%	72%	78%	90%	90%

### Company has Strong GHG Reduction Program

	1 Year Change	2025	2024	2023	2022	2021	2020	2019
MSCI ACWI Index	4%	59%	55%	43%	45%	50%	49%	57%
Saturna Sustainable Bond Fund	18%	93%	75%	69%	84%	100%	82%	76%
Saturna Sustainable Equity Fund	-8%	79%	87%	74%	75%	94%	74%	79%

### Carbon Intensity is Below Industry Mean

	1 Year Change	2025	2024	2023	2022	2021	2020	2019
MSCI ACWI Index	7%	44%	36%	33%	31%	31%	26%	30%
Saturna Sustainable Bond Fund	3%	87%	83%	77%	58%	75%	73%	56%
Saturna Sustainable Equity Fund	5%	57%	51%	63%	53%	59%	48%	46%

### Carbon Intensity Decline More Than 10% in Past Three Years

	1 Year Change	2025	2024	2023	2022	2021	2020	2019
MSCI ACWI Index	0%	44%	44%	32%	32%	32%	27%	32%
Saturna Sustainable Bond Fund	42%	67%	25%	38%	32%	25%	73%	48%
Saturna Sustainable Equity Fund	-28%	46%	74%	61%	50%	50%	48%	40%

Percent of holdings/constituents reporting (by number of holdings)

As of March 31, 2025 unless noted otherwise.

## Case Study: Global Green Bond Projects

# GLOBAL GREEN BOND PROJECTS

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<b>SDG Target 13.1</b>	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
<b>Key Themes</b>	Financing the Energy Transition
<b>Holdings</b>	37% of Saturna Sustainable Bond Fund is invested in green bonds.

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A focus on developing markets - The Saturna Sustainable Bond Fund invests in green bonds with projects in **29 unique countries**.

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*As of March 31, 2025 unless noted otherwise.*

# Financing the Energy Transition in 29 Unique Countries

## Masdar Green Bonds

For every US\$1 million invested in Masdar green bonds, approximately 3,726 tonnes of CO2 equivalent are avoided annually.

In July 2024, Masdar successfully raised US\$1 billion for solar, offshore wind, and battery energy storage projects in the UAE, Saudi Arabia, Uzbekistan, Germany, Serbia, the UK and the USA.

## FS Luxembourg S.a.r.l (FS Industria)

2024 Green Bonds

The company was the first in Brazil to issue a national green bond linked to sustainable goals.

Bonds finance projects in Brazil related to bioenergy and sustainable forestry, including Projects related to the purchase, development and maintenance of forests.

## Majid Al Futtaim

2019 Green Sukuk

The May 2019 issuance was the company's first green bond, with proceeds going to constructing 14 LEED Platinum and gold certified buildings, energy efficiency improvements, and sustainable water management. Since their first issuance, there have been three additional green sukuk for a total USD \$2.2 Billion.

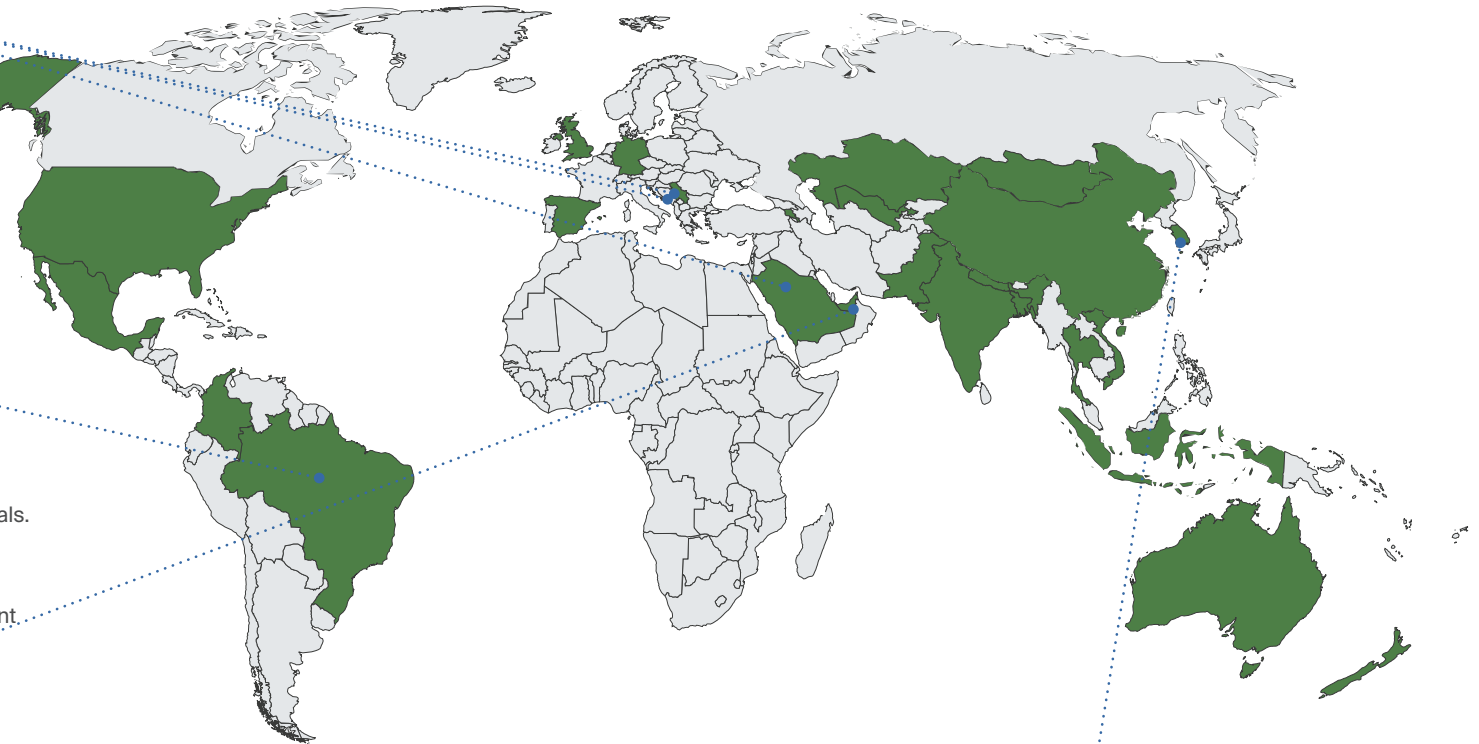
As a result of the program in 2023 alone there was:

- 120.8K reduction in GHG emissions [tCO2e] vs 2019
- 83K in avoided GHG emissions [tCO2e]
- 117K MWh reduction in energy usage vs 2019
- 136K cubic meters of water saved since 2019

## Export-Import Bank of Korea

2023 Blue Bonds | Clean Shipping

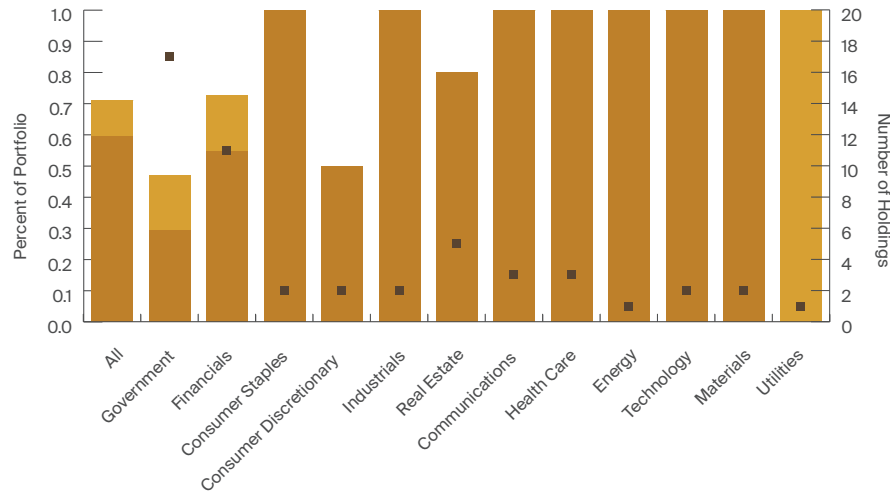
Projects include investments related to construction, design, and maintenance of Clean and Sustainable Vessels. Bond proceeds also went to retrofitting 9 of existing vessels engines with alternative fuels.



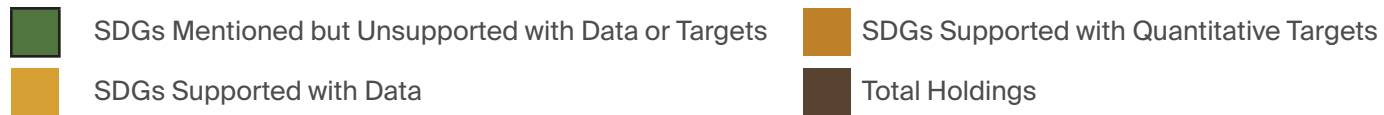
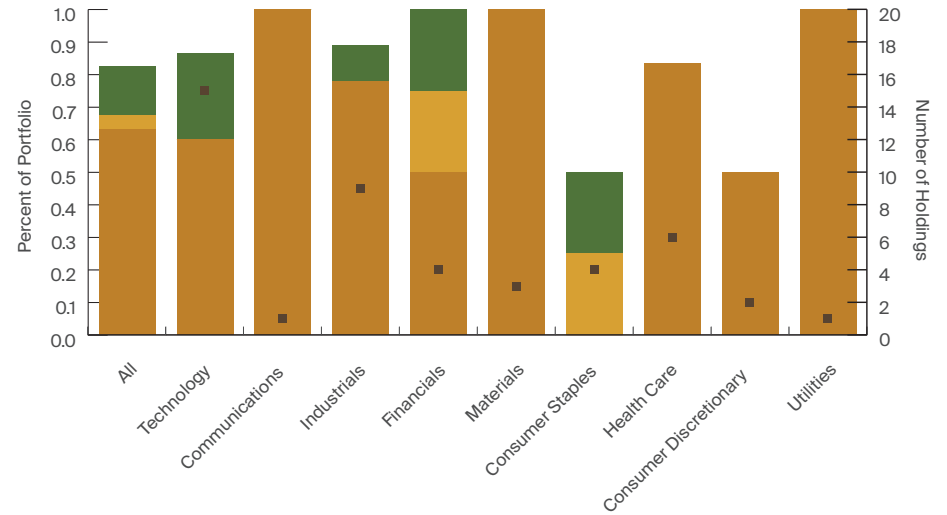
As of March 31, 2025 unless noted otherwise.

# Sustainable Development Goal 13: Data Reporting

## SDG 13 Reporting - Saturna Sustainable Bond Fund



## SDG 13 Reporting - Saturna Sustainable Equity Fund



As of March 31, 2025 unless noted otherwise.



## Sustainable Development Goal 16: Peace, Justice and Strong Institutions

SDG 16 (Peace, Justice, and Strong Institutions) represents a foundational investment consideration that institutional investors increasingly recognize as essential for sustainable long-term returns and risk management. This goal encompasses governance quality, institutional effectiveness, corruption levels, and rule of law – factors that directly influence investment environments and economic outcomes.

Targets and data related to this goal serve as critical risk indicators. Good governance and effective policies are some of the most powerful tools corporations can use to combat

corruption and provide transparency. Saturna Sustainable Funds seek to invest in companies with quality boards, and often that includes those with strong anti-bribery and anti-corruption policies. Good governance is the foundation upon which good corporate decisions are made and where the full integration of sustainability starts.

Despite the importance of this goal, we continue to find SDG 16 underreported and not connected to governance data. None of our corporate holdings directly connected targets to this goal, and only 12 total holdings connected data.

### KPI Data

#### Holdings with More Than 75% Board Independence

	1 Year Change	2025	2024	2023	2022	2021	2020	2019
MSCI ACWI Index	-1%	37%	38%	39%	37%	38%	39%	44%
Saturna Sustainable Bond Fund	-9%	73%	82%	89%	86%	78%	75%	69%
Saturna Sustainable Equity Fund	7%	73%	67%	69%	67%	67%	60%	55%

#### Has Adequate Bribery and Corruption Policy

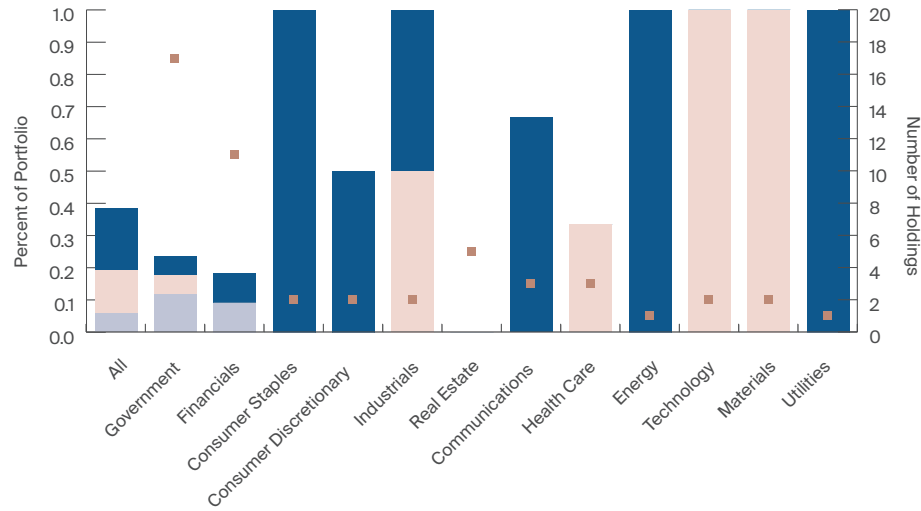
	1 Year Change	2025	2024	2023	2022	2021	2020	2019
MSCI ACWI Index	5%	62%	57%	52%	49%	46%	41%	64%
Saturna Sustainable Bond Fund	27%	96%	69%	77%	84%	86%	87%	93%
Saturna Sustainable Equity Fund	-2%	81%	83%	84%	84%	80%	75%	85%

*Percent of holdings/constituents reporting (by number of holdings)*

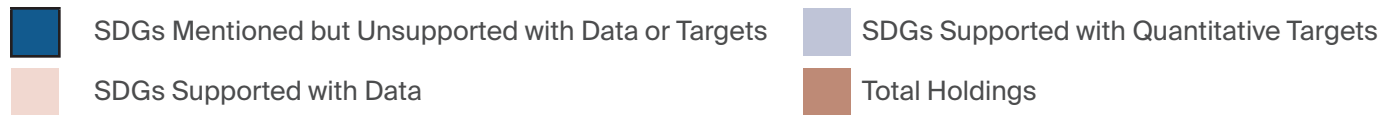
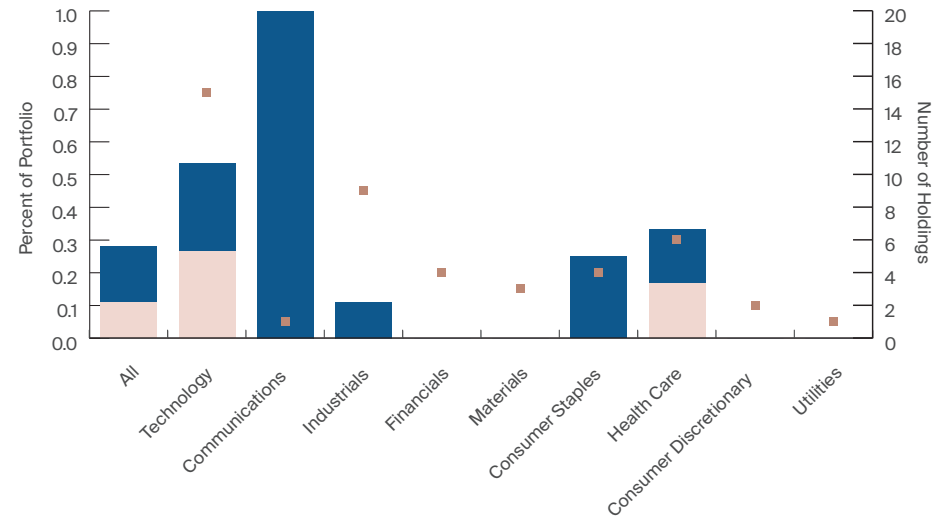
*As of March 31, 2025 unless noted otherwise.*

# Sustainable Development Goal 16: Data Reporting

## SDG 16 Reporting - Saturna Sustainable Bond Fund



## SDG 16 Reporting - Saturna Sustainable Equity Fund



As of March 31, 2025 unless noted otherwise.

## About the Authors



Elizabeth Alm, CFA®

**Senior Investment Analyst and Portfolio Manager**

Elizabeth Alm, Senior Investment Analyst & Portfolio Manager, joined Saturna Capital in April of 2018. Originally from Connecticut, she graduated from New York University with degrees in Economics and Anthropology including field work completed in Luxor, Egypt. Prior to joining Saturna, Ms. Alm spent 11 years at Wells Fargo Asset Management as a senior research analyst focusing on high yield municipal bonds. As part of her previous role, she also worked on the management of several municipal SMA strategies. Ms. Alm is a Chartered Financial Analyst® (CFA®) charterholder. Outside of work she enjoys mountaineering, photography, and international travel.



Patrick Drum, MBA, CFA®, CFP®

**Fixed Income Lead and Portfolio Manager**

Patrick T. Drum, Fixed Income Lead and Portfolio Manager, joined Saturna Capital in October 2014. He is a former adjunct professor of finance for the Sustainable MBA Program at the Bainbridge Graduate Institute (BGI) currently known as Presidio Graduate School. Mr. Drum holds a BA in economics from Western Washington University and an MBA from Seattle University Albers School of Business. He is a Chartered Financial Analyst (CFA) charterholder and a Certified Financial Planner™. Prior to joining Saturna Capital, Mr. Drum led environmental, social, and governance (ESG) research and was director of fixed income portfolio management since 2007 with a private account group at UBS Institutional Consulting Services specializing in investment management for global conservation and national wildlife park endowments as well as sustainable-social screened client portfolios. He is a former Chair of the United Nation's Principles for Investment (UNPRI) Fixed Income Outreach Subcommittee and a current member of the UNPRI's Bondholder Engagement Working Group (BEWG), an advisory committee working to elevate important ESG considerations and best practices among issuers and investors. Mr. Drum's past experience also includes business valuation at Moss Adams and portfolio management at Washington Mutual Bank. He lives in Bellingham and is a proud father of two. He enjoys sea kayaking, hiking, and being part of the Pacific Northwest community. Mr. Drum is a member of the board of trustees to the Museum of Glass in Tacoma and a member of Rotary.



Pierce McCrerey, CFA®

**Fixed Income Analyst**

Pierce McCrerey, Fixed Income Analyst, joined Saturna in June 2021. He graduated from Montana State University in Bozeman with a BS in Business Finance and a minor in Entrepreneurship. Prior to Saturna, he worked in custom home construction and renovation. Pierce is a Chartered Financial Analyst (CFA) charterholder. Outside of the office, Pierce enjoys skiing, mountain biking, and traveling around the world.

## Ownership of Securities Mentioned

As of March 31, 2025, the Funds held the following percentages of securities in their portfolios (% of net assets):

Security	Saturna Sustainable Bond Fund	Saturna Sustainable Equity Fund
Eli Lilly	n/a	3.44%
Women's Livelihood Bond 4	1.11%	n/a
African Development Bank Social Bonds	0.8%	n/a
Koninklijke KPN NV (KPN)	4.24%	n/a
Aviva	n/a	3.05%
Accenture	n/a	2.31%
Connecticut Housing Finance Authority (CHFA)	1.2%	n/a

## About Saturna

Saturna Capital, manager of the Amana and Saturna 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.

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

*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.*

*The Saturna Sustainable Bond Fund limits the securities it purchases to those consistent with sustainable principles. This limits opportunities and may affect performance. Fund share prices, yields, and total returns will change with market fluctuations as well as the fortunes of the countries, industries, and companies in which it invests. The risks inherent in the Sustainable Bond Fund depend primarily on the terms and quality of the obligations in its portfolio, as well as on bond market conditions. When interest rates rise, bond prices fall. When interest rates fall, bond prices go up. Bonds with longer maturities usually are more sensitive to interest rate changes than bonds with shorter maturities. The Fund entails credit risk, which is the possibility that a bond will not be able to pay interest or principal when due. If the credit quality of a bond is perceived to decline, investors will demand a higher yield, which means a lower price on that bond to compensate for the higher level of risk. Issuers of high-yield securities are generally not as strong financially as those issuing higher quality securities. High-yield bonds may have low or no ratings, and may be considered "junk bonds." Foreign investing involves risks not normally associated with investing solely in US securities. These include fluctuations in currency exchange rates, less public information about securities, less governmental market supervision, and the lack of uniform financial, social, and political standards. Foreign investing heightens the risk of confiscatory taxation, seizure or nationalization of assets, establishment of currency controls, or adverse political or social developments that affect investments. The risks of foreign investing are generally magnified in the smaller and more volatile securities markets of the developing world. Liquidity risk exists when particular investments are difficult to sell. Investments by the Funds in foreign securities and those that are thinly traded, such as lower quality issuers, tend to involve greater liquidity risk. The market for certain investments may become illiquid under adverse market or economic conditions.*

***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](http://www.saturnasustainable.com) or call toll-free 1-800-728-8762. Please read the prospectus or summary prospectus carefully before investing.***

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*The Saturna Sustainable Equity Fund limits the securities it purchases to those consistent with sustainable principles. This limits opportunities and may affect performance. Fund share prices, yields, and total returns will change with market fluctuations as well as the fortunes of the countries, industries, and companies in which it invests. Foreign investing involves risks not normally associated with investing solely in US securities. These include fluctuations in currency exchange rates, less public information about securities, less governmental market supervision, and the lack of uniform financial, social, and political standards. Foreign investing heightens the risk of confiscatory taxation, seizure or nationalization of assets, establishment of currency controls, or adverse political or social developments that affect investments. The risks of foreign investing are generally magnified in the smaller and more volatile securities markets of the developing world.*

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