



AMANA MUTUAL FUNDS TRUST **AMANA PARTICIPATION FUND**



Amana Mutual Funds Trust
FOLLOWING PRINCIPLES OF ISLAMIC FINANCE

© 2021 Saturna Capital Corporation



IMPORTANT DISCLOSURES

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

The Amana Funds limit the securities they purchase to those consistent with Islamic principles, which limits opportunities and may affect performance.

The FTSE Sukuk Index measures the performance of global Islamic fixed-income securities, also known as sukuk.

Please consider an investment's objectives, risks, charges, and expenses carefully before investing. To obtain this and other important information about the Amana Income, Growth, Developing World, and Participation Funds in a current prospectus or summary prospectus, please visit www.amanafunds.com or call toll-free 1-800-728-8762. Please read the prospectus or summary prospectus carefully before investing.

About Saturna Capital

Active Investing to Reflect Your Values

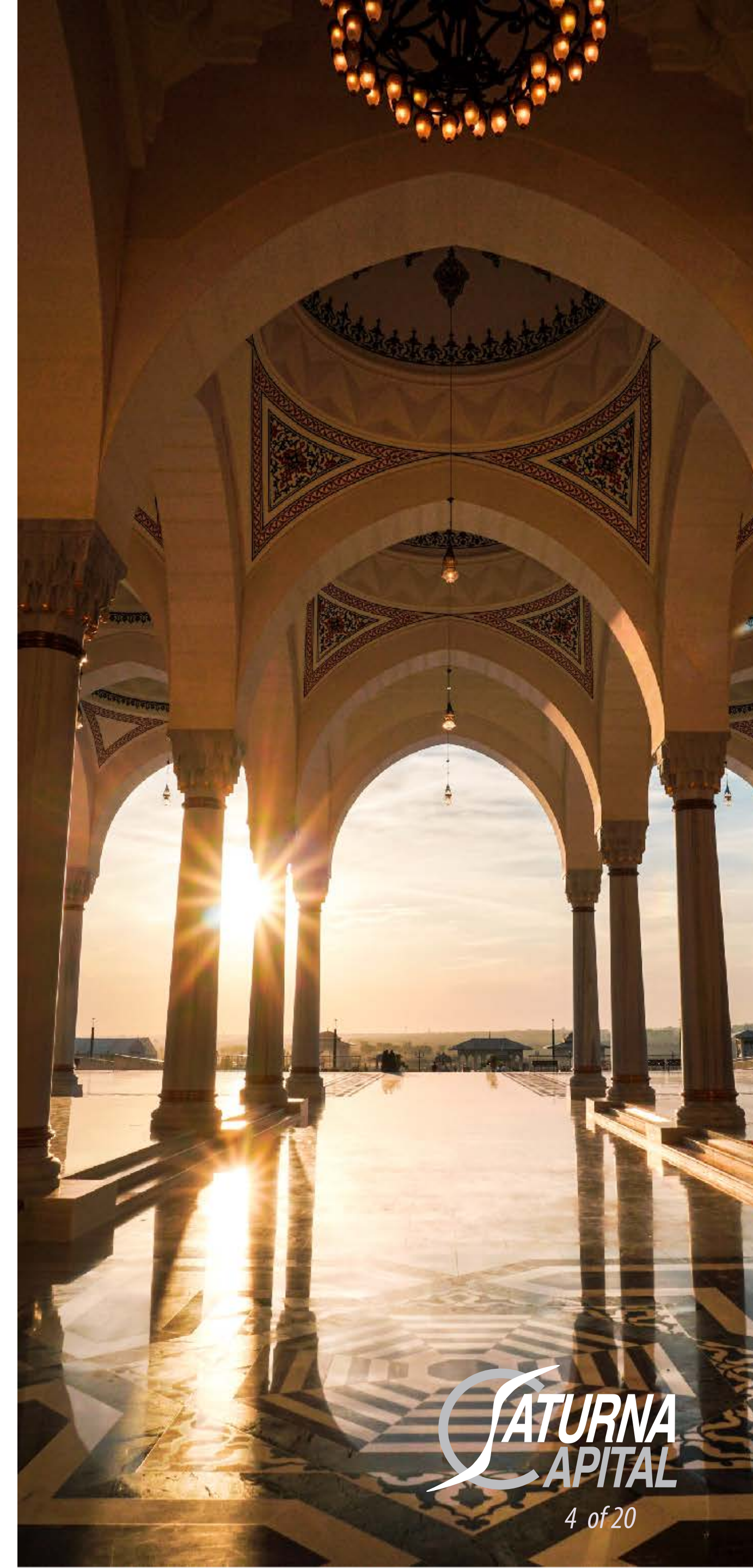
As of June 30, 2021

- \$5.8 Billion in AUM
- Founded in 1989; private firm with 71% employee equity ownership
- Adviser to **Amana**, **Saturna Sustainable**, **Sextant**, and **Idaho Tax-Exempt** Mutual Funds, Institutional and Private Accounts
- 103 employees worldwide, 13 in research and/or portfolio management
- Headquarters in Bellingham, WA
- Wholly-owned subsidiaries:
 - **Saturna Sendirian Berhad** (Kuala Lumpur, Malaysia - portfolio management, research office)
 - **Saturna Trust Company** (Henderson, NV - trust services)
 - **Saturna Brokerage Services** (Bellingham, WA - distributes mutual funds and offers commission-free custody and trades)
 - **Saturna Environmental Corporation** (Bellingham, WA - runs Camp Saturna, an environmental education center)
- Integrated operations (preferring in-house solutions to outsourcing)
- Community contributor
- Low-cost provider



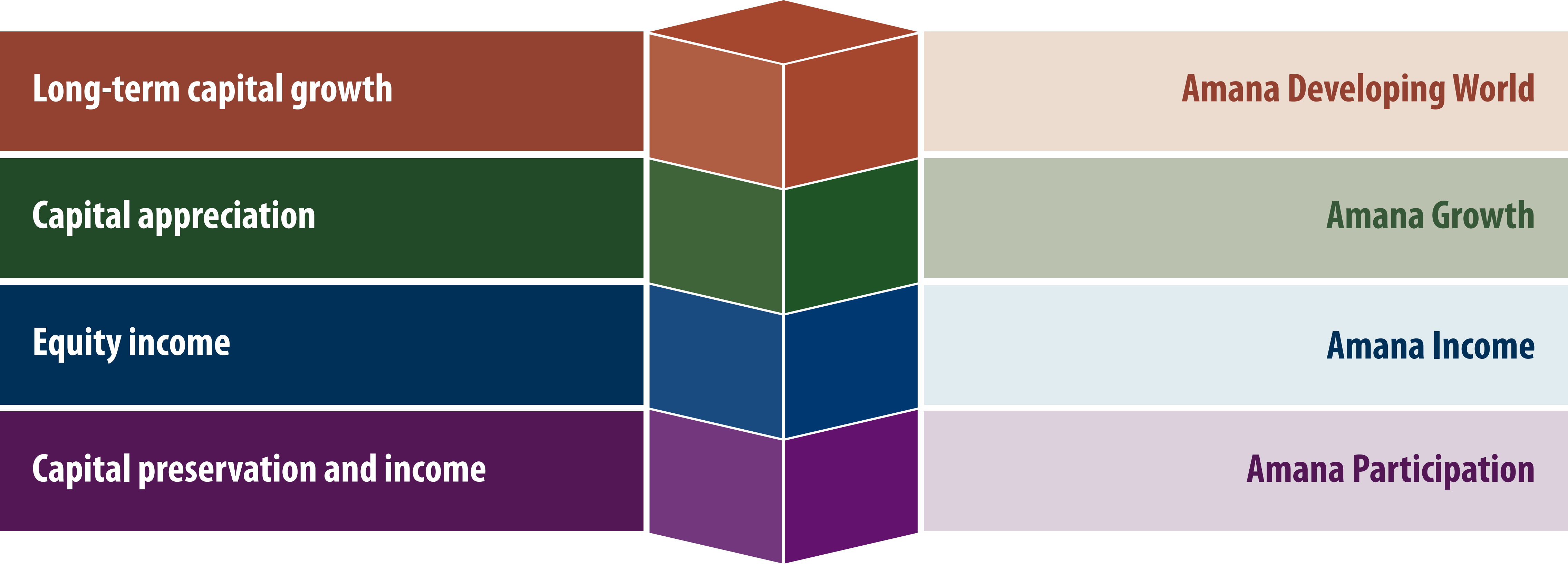
Amana Mutual Funds

- Oldest and largest operating *sharia*-compliant mutual funds in the US
- *Four Funds:*
 - **Amana Income** - 1986:
Seeks current income and preservation of capital
 - **Amana Growth** - 1994:
Seeks long-term capital growth
 - **Amana Developing World** - 2009:
Seeks long-term capital growth
 - **Amana Participation** - 2015:
Seeks preservation of capital and current income



Amana Mutual Funds

Investment Strategies



While diversification does not guarantee against a loss in a declining market, it can help minimize the risk of the decline of a single asset class.

Performance

As of June 30, 2021

Average Annual Total Returns	1 Year	3 Year	5 Year	Expense Ratio*
Amana Participation Investor Shares (AMAPX)	3.94%	4.43%	2.82%	0.82%
Amana Participation Institutional Shares (AMIPX)	4.18%	4.67%	3.06%	0.58%
FTSE Sukuk Index	5.88%	7.21%	4.81%	n/a

¹ Expense Ratios are as stated in the Funds’ most recent prospectus dated September 24, 2021.

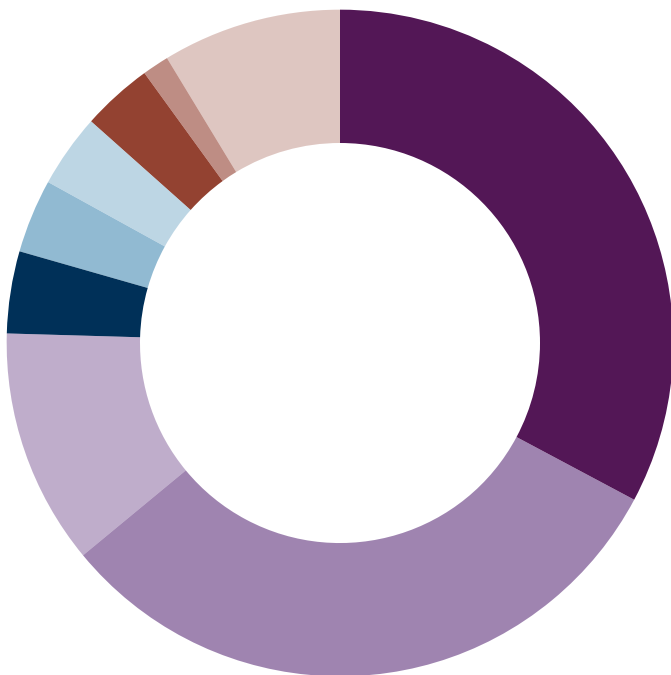
Amana Funds Institutional Shares began operations September 25, 2013. The Amana Participation Fund began operations on September 28, 2015.

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



Portfolio Characteristics

Sector Allocation		
Financials ¹	32.31%	■
Government Bonds	30.76%	■
Utilities	11.28%	■
Consumer Discretionary	3.92%	■
Communications	3.53%	■
Materials	3.51%	■
Industrials	3.39%	■
Technology	2.74%	■
Cash and equivalents	8.56%	■



Top 10 Holdings	% of Assets
TNB Global Ventures Cap	4.48%
DIFC Sukuk	4.40%
ICD Sukuk	4.39%
Tabreed Sukuk	4.19%
Almarai Sukuk	3.92%
DIB Sukuk	3.80%
Perusahaan Penerbit SBSN	3.79%
MAF Sukuk	3.73%
QIB Sukuk	3.55%
KSA Sukuk	3.55%
Total	39.80%

¹ Financials includes investment certificates (sukuk) issued by Islamic participation banks.
 Sector weightings are shown as a percentage of total net assets.

Participation Fund Overview

Investment Objective

- Capital preservation and current income, consistent with Islamic principles. Capital preservation is its primary objective.

Investment Strategies

- The Participation Fund invests at least 80% of its assets in short and intermediate-term Islamic fixed-income investments.
- The Fund invests primarily in notes and certificates issued for payment by foreign governments, their agencies, and financial institutions in transactions structured to be in accordance with Islamic principles.

Participation Fund Overview

Risks

Market risk: The value of Participation Fund shares rises and falls as the value of the securities in which the Fund invests goes up and down. Consider investing in the Fund only if you are willing to accept the risk that you may lose money. Fund share prices, yields, and total returns will change with the fluctuations in the securities and currency markets as well as the fortunes of the countries, industries, and companies in which the Fund invests.

Diversification risk: The Fund is non-diversified and may invest a larger percentage of its assets in fewer issuers, which may cause the Fund to experience more volatility than diversified funds. In addition, the Fund may concentrate its investments within the financial services industry.

Strategy risk: The Participation Fund's restricted ability to invest in certain market sectors, such as non-Islamic financial companies and conventional fixed-income securities, limits opportunities and may increase the risk of loss during economic downturns. Because Islamic principles preclude the use of interest-paying instruments, conventional cash reserves do not earn income.

Participation Fund Overview

Risks

Liquidity risk: Liquidity risk exists when particular investments are difficult to sell. Investments by the Fund 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.

Foreign investing risk: The Participation Fund involves risks not typically associated with investing in US securities. Investments in the securities of foreign issuers may involve risks in addition to those normally associated with investments in the securities of US issuers. All foreign investments are subject to risks of: (1) foreign political and economic instability; (2) adverse movements in foreign exchange rates; (3) currency devaluation; (4) the imposition or tightening of exchange controls or other limitations on repatriation of foreign capital; (5) changes in foreign governmental attitudes towards private investment, including potential nationalization, increased taxation, or confiscation of assets, and (6) differing reporting, accounting, and auditing standards of foreign countries. The risks of foreign investing are generally magnified in the smaller and more volatile securities markets of the Participation Fund.

Participation Fund Overview

Risks

Sukuk risk: The Fund's investments in *sukuk*, especially *sukuk* issued by foreign governments and their agencies, differ from conventional debt obligations for which investors may use courts to seek remedies for defaults. To the extent a Fund holds *sukuk* that default, the Fund's legal recourse may be significantly more limited.

Interest rate risk: Changes in interest rates impact prices of fixed-income and related investments. When interest rates rise, the value of fixed-income investments (paying a lower rate of interest) generally will fall. Investments with shorter terms may have less interest rate risk, but generally have lower returns and, because of the more frequent maturity dates, may involve higher re-investment costs.

Credit risk: Corporate and sovereign issuers of the notes and certificates in which the Fund invests may not be able or willing to make payments when due, which may lead to default or restructuring of the investment. In addition, if the market perceives deterioration in the creditworthiness of an issuer, the value and liquidity of the securities of the issuer may decline.

High-yield risk: Securities that are rated below investment grade may have greater price fluctuations and have a higher risk of default than investment-grade securities. Below-investment grade securities may be difficult to sell at an acceptable price, especially during periods of increased market volatility or significant market decline.

What are *Sukuk*?

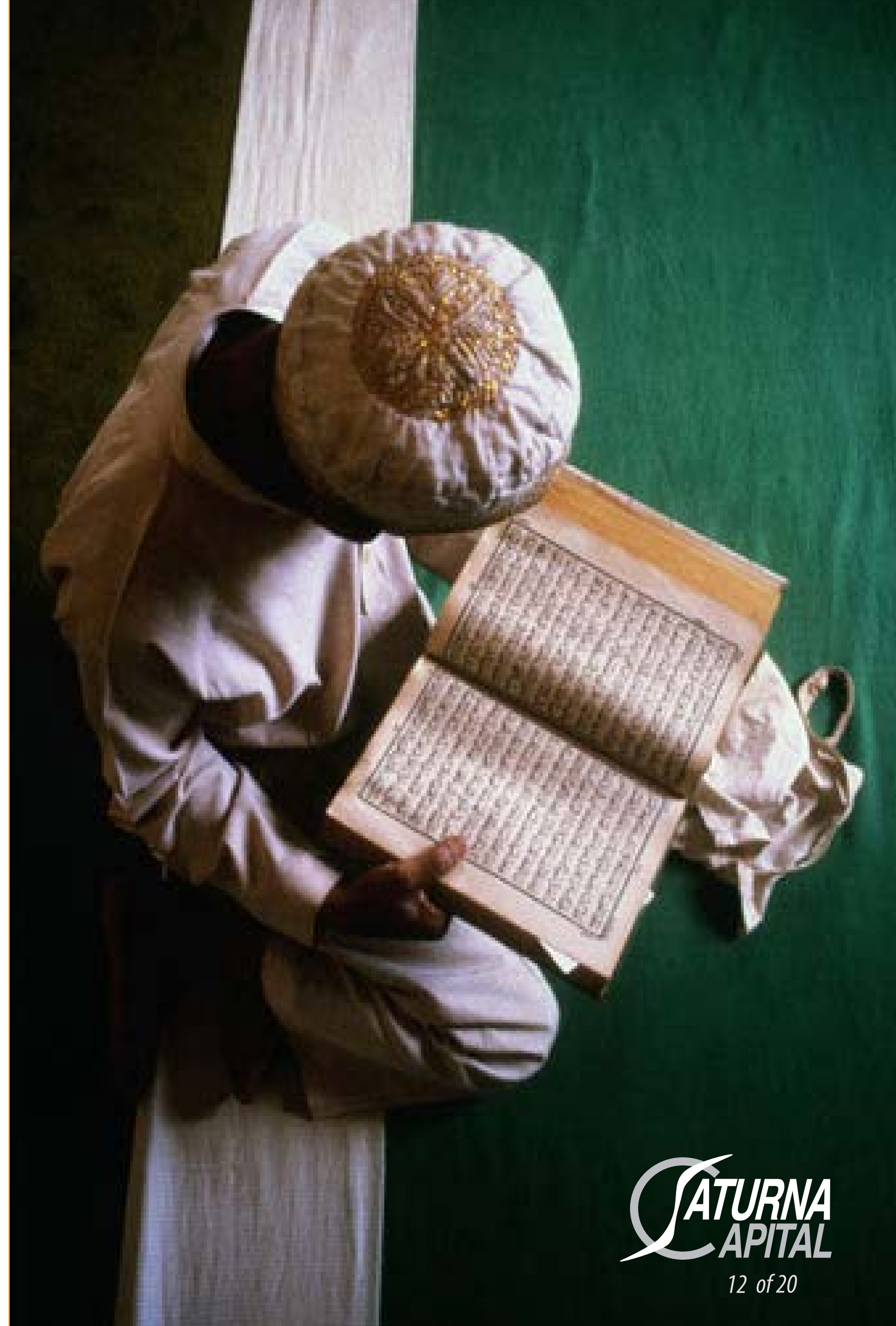
AAOIFI Sharia Standards:

"[Sukuk] are certificates of equal value representing undivided shares in ownership of tangible assets, usufruct, and services or (in the ownership of) the assets of particular projects or special investment activity."



AAOIFI

ACCOUNTING AND AUDITING ORGANIZATION
FOR ISLAMIC FINANCIAL INSTITUTIONS



What are *Sukuk*?

	Sukuk	Conventional Bonds
Underlying	Proof of ownership in an asset	Debt obligation
Legal Structure	Holders each hold an undivided beneficial ownership in underlying assets	Issuer has a contractual obligation to pay bondholders, on certain specified dates, interest and principal
Halal considerations	The underlying assets are halal	n/a
Pricing	Pricing based upon value of underlying assets	Pricing based on credit rating of issue and issuer
Valuation	Buyers purchase an asset that has value	Buyers act as creditors in implicit loan agreement
Investment rewards and risks	Holders receive a share of profits from the underlying asset (and accept a share of any loss incurred)	Holders receive regularly scheduled interest payment for the life of the bond, and the principal is returned at the bond's maturity date

Structure of Sukuk

Conventional Bonds

- Maturity Date
- Income Rate
- Credit Rating
- Risk Transferring
- Debt/Interest

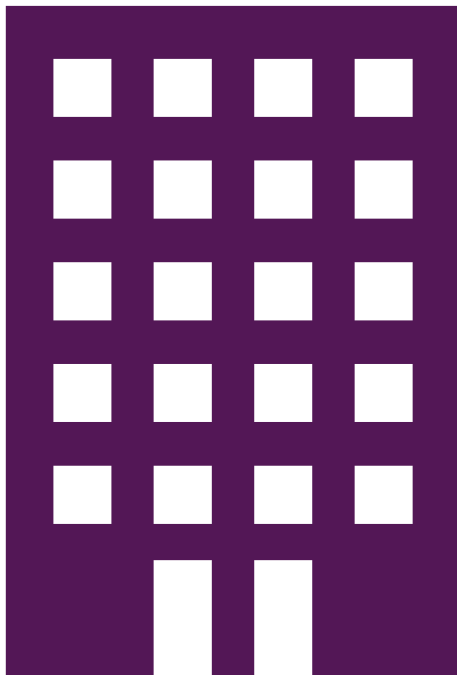
vs.

Sukuk

- Maturity Date
- Income Rate
- Credit Rating
- Risk Sharing
- Underlying asset

As owners, investors receive payments based on asset profitability.

- Asset impairment could mean losses for investors
- *Sukuk* structure enables risk sharing



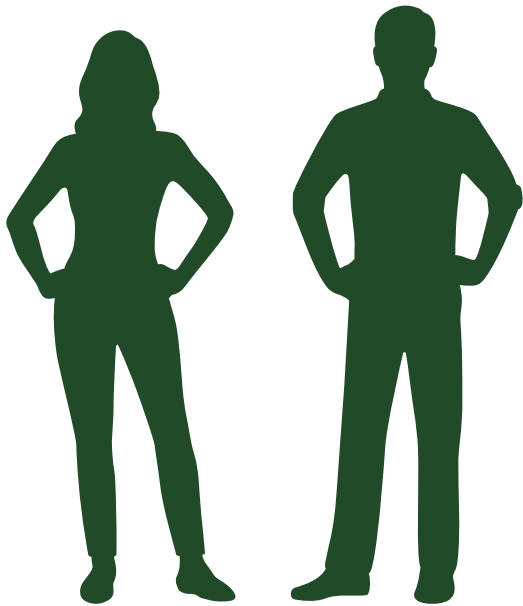
Company

Company places assets in trust



Underlying assets generate revenue

Profit is distributed to investors

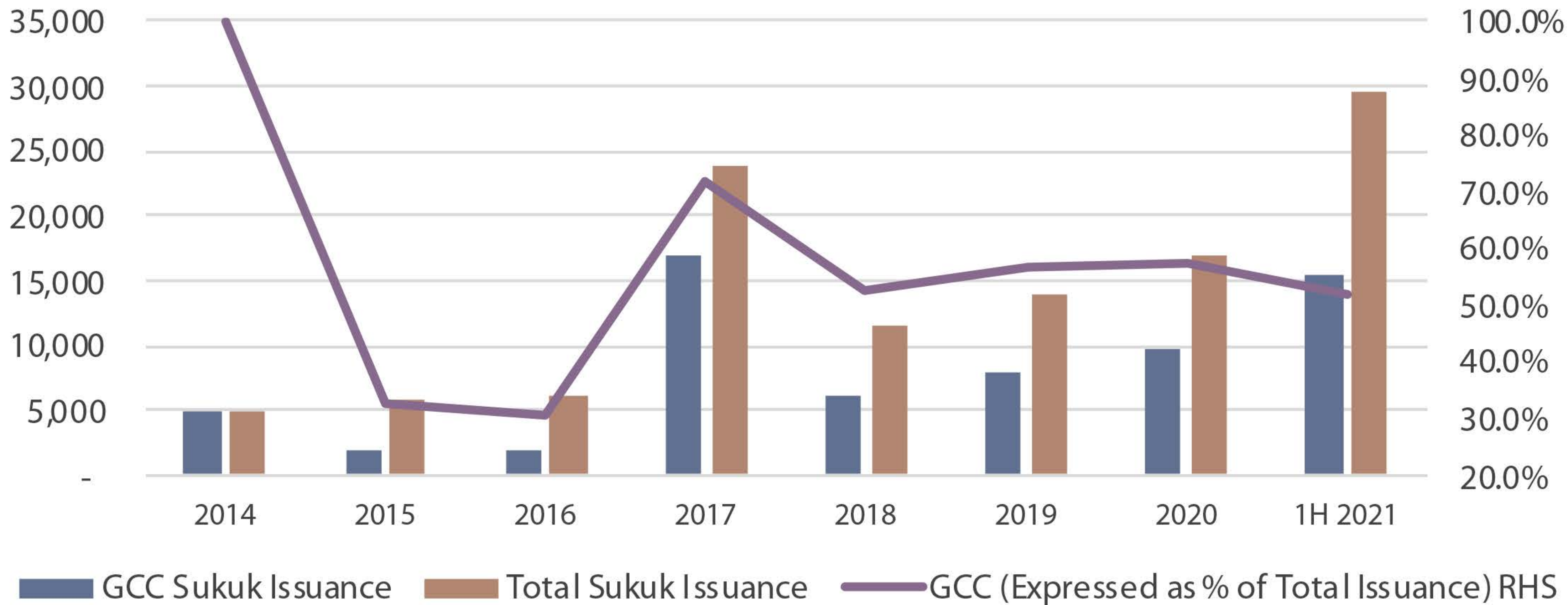


Investors

Structure can be similar to a municipal appropriation bond.

Sukuk: An Evolving Market

Total Sukuk vs GCC Sukuk Issuance (in \$ billions)



Source: Bloomberg



Additional Resources

GCC Sukuk: A Primer

This primer provides an overview of the investment landscape and characteristics of sharia-compliant investment certificates, referred to as *sukuk*, as a market niche that continues to evolve. We cover the risk and return attributes of *sukuk* and explore their relationship to changes in the price of oil; an important point to consider since hydrocarbons largely drive *sukuk* issuers' economies.

Green Sukuk: A New Legacy for Green Sprouts?

Green bonds are earning creditability within the fixed-income community as viable instruments that combine the dual objectives of investment returns and environmental and climate mitigation.

Can Revenue Bonds be *Halal*?

We explore the correlation between Islamic investment certificates, including *sukuk*, and other investment asset classes as a means of better understanding the risk and return characteristics of this unique and distinct asset class.

Dancing with Correlation

We explore the correlation between Islamic investment certificates, including *sukuk*, and other investment asset classes as a means of better understanding the risk and return characteristics of this unique and distinct asset class.

What Makes *Sukuk Halal*?

We explain what differentiates Islamic investment certificates, often called *sukuk*, from conventional bonds, and identifies the distinctive features that form the core of what makes *sukuk* Islamic-compliant, or *halal*.



Available at www.saturna.com

Participation Fund Portfolio Managers' Bios



Patrick Drum MBA, CFA, CFP®
Portfolio Manager

- Education: BA, Economics, Western Washington University; MBA, Seattle University Albers School of Business
- Chartered Financial Analyst Charterholder (CFA)
- Certified Financial Planner (CFP®)
- Saturna Capital (2014): Portfolio Manager, Amana Participation Fund, Saturna Sustainable Bond Fund; Deputy Portfolio Manager, Sextant Global High Income Fund; assists Saturna's Malaysian subsidiary in the management of Islamic fixed-income investments
- Chair of the United Nation's Principles for Investment (UNPRI) Fixed Income Outreach Subcommittee
- Adjunct professor of finance at Pinchot University, formerly known as Bainbridge Graduate Institute (BGI)
- Fixed income analyst / portfolio manager since 2005
- Integrating ESG considerations into fixed-income portfolios since 2006; investment industry since 1996
- Investment career: UBS Financial Services; Moss Adams; Washington Mutual; Morgan Stanley



Elizabeth Alm CFA
Deputy Portfolio Manager

- Education: BA, New York University
- Chartered Financial Analyst Charterholder (CFA®)
- Saturna Capital (2018): Senior Investment Analyst; Portfolio Manager, Sextant Bond Income Fund, Idaho Tax-Exempt Fund; Deputy Portfolio Manager, Saturna Sustainable Bond Fund, Amana Participation Fund
- Previous to Saturna: Senior Research Analyst at Wells Fargo, focusing on fixed income
- Investment analyst since 2008

Performance

As of June 30, 2021

Average Annual Total Returns	1 Year	3 Year	5 Year	10 Year	Expense Ratio ¹
Amana Participation Investor Shares (AMAPX)	3.94%	4.43%	2.82%	n/a	0.82%
Amana Participation Institutional Shares (AMIPX)	4.18%	4.67%	3.06%	n/a	0.58%
FTSE Sukuk Index	5.88%	7.21%	4.81%		n/a
Amana Growth Investor Shares (AMAGX)	42.90%	25.76%	22.42%	15.48%	0.99% ²
Amana Growth Institutional Shares (AMIGX)	43.25%	26.05%	22.70%	n/a	0.76% ²
S&P 500 TR	40.79%	18.64%	17.64%	14.83%	n/a

¹ Expense Ratios are as stated in the Funds' most recent prospectus dated September 24, 2021.

² Restated to reflect a reduction in the Advisory and Administrative Services fee, which became effective on December 1, 2020.

Amana Funds Institutional Shares began operations September 25, 2013. The Amana Participation Fund began operations on September 28, 2015.

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



A Few Words About Risks

Income, Growth, Developing World, and Participation Funds:

The value of the shares of each of the Funds rises and falls as the value of the securities in which the Funds invest goes up and down. Amana Mutual Funds limit the securities they purchase to those consistent with Islamic and sustainable principles. This limits opportunities and may affect performance. Each of the Funds may invest in securities that are not traded in the United States. Investments in the securities of foreign issuers may involve risks in addition to those normally associated with investments in the securities of US issuers. These risks include currency and market fluctuations, and political or social instability. The risks of foreign investing are generally magnified in the smaller and more volatile securities markets of the developing world.

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

Contact Information:

Owaiz Dadabhoy

Director of Islamic Investing

omd@saturna.com

Ext. 4602

Sameer Sarmast

Regional Manager / Financial Planner

sss@saturna.com

Ext. 4604

Amjad Quadri

Regional manager

amq@saturna.com

Ext. 4601

Haitham Al-Sayed

Regional manager

has@saturna.com

Ext. 4603

THANK YOU!



Amana Mutual Funds Trust

FOLLOWING PRINCIPLES OF ISLAMIC FINANCE

© 2021 Saturna Capital Corporation

