2021 IMPACT REPORT

Amana Mutual Funds Trust

FOLLOWING PRINCIPLES OF ISLAMIC FINANCE

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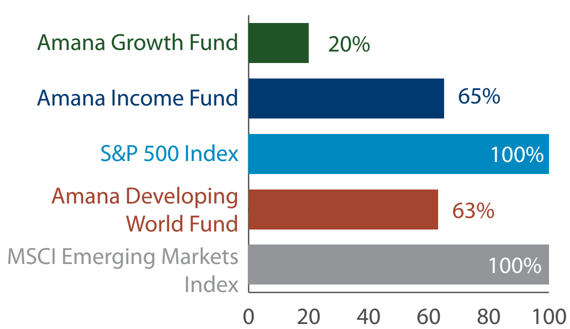
2021 picked up where 2020 left off: waves of coronavirus wreaked havoc on society, July was the hottest month ever recorded worldwide,[1] and growing income inequalities continued to undermine social cohesion.[2] Fortunately, not all was doom and gloom during the year. As of the first quarter of 2021, nations responsible for 73% of global greenhouse gas (GHG) emissions had made net-zero pledges. These pledges, which signal a country's willingness to combat climate change, have risen from covering only 19% of emissions in 2019 and 57% in 2020.[3] On a corporate level, we've seen many improvements including a higher average number of women on leadership boards and greater use of renewable energy. We're pleased to see these trends manifest across the holdings of the Amana Funds covered in this report (Growth, Income, and Developing World) along with their respective benchmarks. These improvements are yet another signal that environmental, social, and governance (ESG) investing helps to drive positive change.

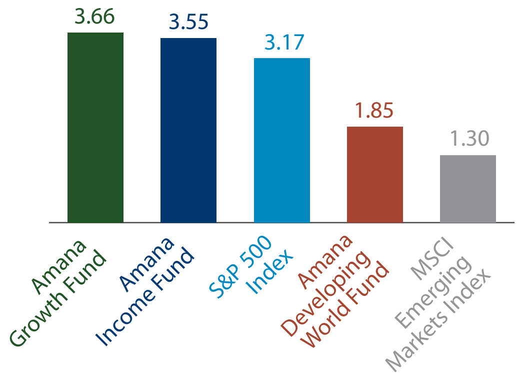
As ESG investing becomes more widespread, we continue to see the value added from active management. Disparate approaches to reporting ESG data creates opportunities for mistakes to crop up at both the corporate and data provider levels. Highlighting this issue, a recent S&P Global study found errors in 35% of company disclosure.[4] Indeed, in gathering and analyzing data for this year's Amana Funds Impact report, we found numerous inaccuracies in the data we gathered. In several cases we found that data providers either incorrectly scaled company-reported figures, leading to discrepancies of several orders of magnitude, or altogether failed to provide data on standardized metrics that companies clearly disclose. If not for our intimate knowledge developed through fundamental, ground-up, company analysis, these errors would have gone unnoticed and potentially led to ill-founded conclusions.

The Funds' ESG performance is a further testament to this active approach. Two important metrics that exhibit this strength are carbon intensity and board diversity. Looking at carbon intensity, which is measured in metric tons of CO_2 per million USD of sales, we see that average emissions for holdings in the Amana Funds are meaningfully lower than their respective benchmarks. On board diversity, the Funds' holdings have a higher average number of women in directorships than their respective benchmarks. While we believe these results help substantiate the Funds' approach to integrating ESG, we appreciate that sustaining this accomplishment demands continuous improvements to our process and analysis. Building on this, we see the Impact Report as an opportunity to connect with clients and as a tool to hold ourselves accountable. Writing and reviewing the report allows us to reflect on strengths and areas for further refinement.

Fund Carbon Intensity vs. Benchmark



Average Number of Women on Board



Carbon intensity is measured in metric tons of carbon dioxide emitted per $1 million in sales.

Sources: Bloomberg, Saturna Capital Research

ESG Impacts of Amana Growth, Income, and Developing World

As part of our long-term value and values-based approach, Saturna Capital believes ESG issues are fundamental factors in security analysis. The investment process for the Amana Growth, Income, and Developing World Funds integrates ESG considerations with Islamic principles and financial analysis to wholistically analyze a security's suitability for each Fund. In many ways we believe that ESG and Islamic principles are intrinsically aligned, with a focus on long-term value creation for both society and shareholders. Through better understanding company interactions with the environment and society, we develop deeper context and added clarity when analyzing financial performance.

The first step in the Funds' investment process is to employ negative screening based on values and sustainability-based parameters. Values-based parameters exclude investments primarily engaged in businesses prohibited by Islamic principles including alcohol, weapons, pornography, gambling, pork, and conventional financial activities, such as banking and most insurance. Sustainability-based parameters exclude companies engaged in higher ESG risk businesses such as tobacco and fossil fuel extraction, in addition to those prohibited by Islamic principles. Beyond these negative screens, Saturna has long employed positive screening, which seeks companies with strong cash generation and low debt that treat minority shareholders well. We look for excellent management teams and corporate governance structures, which have been integral to our approach since the Trust's inception in 1986. As our process evolved, Saturna has developed a proprietary ranking algorithm that leverages third-party data and our own research to assess company performance on ESG issues.

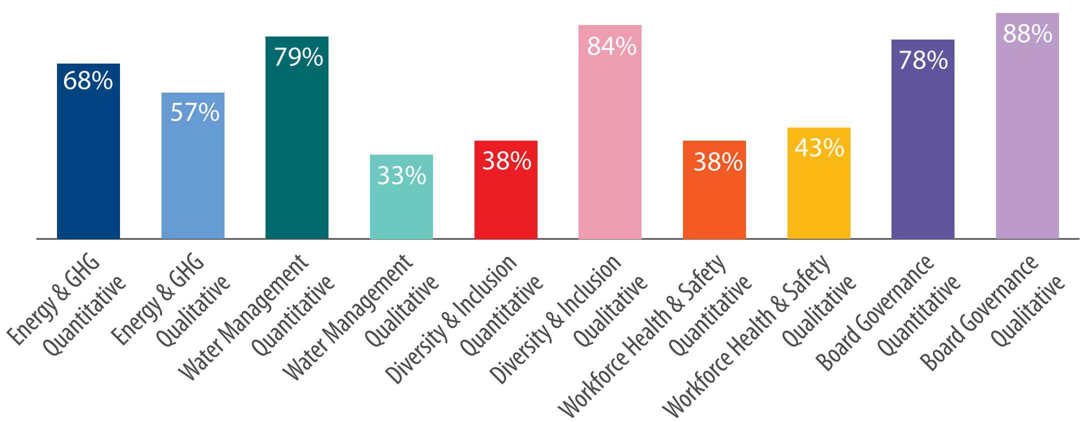
Understanding that materiality is both company and industry-specific is necessary in evaluating company actions through an ESG lens. Issues such as water management may severely affect some sectors (e.g., Consumer Staples) but may not be as important to others (e.g., Communication Services). At the same time, there are other issues – notably governance – that Saturna believes are material across all industries.

Beyond determining the material issues across industries, it is important to consider the current state of disclosure for a topic or metric. If a metric lacks satisfactory disclosure, reasonable comparisons cannot be made. Due to disparity in disclosure rates and quality, further qualitative analysis is typically needed. This deeper analysis helps fill in the information gaps while providing context to company performance.

As with previous Impact Reports, we limited the number of topics to those that feature sufficient disclosure to support robust cross-industry analysis. These topics do not constitute the full universe of ESG issues that Saturna's analysts consider, but they offer a sample. The *Percent of Holdings Reporting on ESG Topics* graph provides average disclosure rates by topic for both quantitative and qualitative measures covered in this report across the Amana Income, Growth, and Developing World Funds. What's immediately apparent in this graph is that environmental topics tend to have higher disclosure rates for quantitative metrics than qualitative ones, while social and governance topics have stronger qualitative measures. We will continue to explore this theme in this report.

Percent of Holdings Reporting on ESG Topics

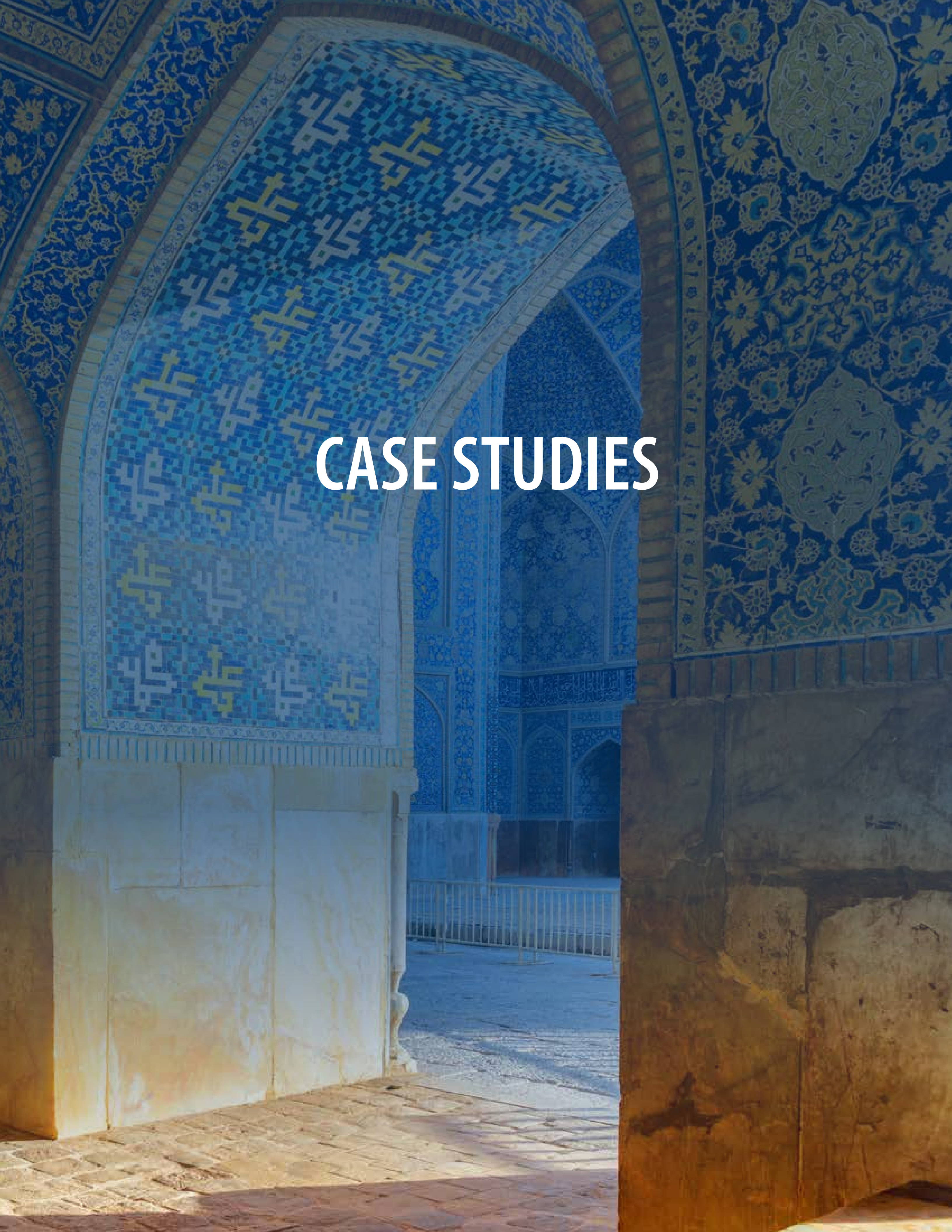
(all holdings of Amana Income, Amana Growth, and Amana Developing World Funds)



Sources: Bloomberg, Refinitiv, Sustainalytics, Saturna Capital Research

Also in this Impact Report, we will discuss each of the ESG pillars, dig into a host of ESG topics, analyze how the Funds' ESG performance has evolved, and examine a selection of case studies. We provide a set of examples that illustrate the types of issues Saturna considers, how we analyze company performance on those topics, and how the Funds stack up against their respective benchmarks. Saturna does not interpret ESG information on a stand-alone or topic-by-topic basis, but rather as a mosaic. This approach allows us to combine information on a range of ESG issues, values-based concerns, and financial analyses to develop a comprehensive view of each security we hold.

CASE STUDIES



Environmental

As evidenced by the *Percent of Holdings Reporting on ESG Topics* graph on disclosure rates, environmental topics are generally quantifiable and benefit from wider standardization across industries than social topics. In this report, we have chosen to focus on GHG emissions, renewable energy use, and water consumption. These issues are cross-cutting and tend to have the highest disclosure rates among the many environmental topics worth considering. At Saturna, we are more concerned with performance than disclosure, but without quality disclosure, there's no telling the veracity of performance. It's not surprising to find the Growth, Income, and Developing World Funds have significantly higher disclosure rates than their respective benchmarks.

Percent of companies providing disclosure on environmental performance:

	GHG Emissions		% of Energy from Renewables		Water Use	
	2021	2020	2021	2020	2021	2020
Amana Growth Fund	80%	82%	66%	48%	71%	61%
Amana Income Fund	97%	89%	76%	60%	94%	69%
S&P 500 Index	73%	57%	47%	32%	58%	41%
Amana Developing World Fund	67%	66%	36%	24%	74%	55%
MSCI Emerging Markets Index	54%	49%	18%	13%	59%	43%

Source: Bloomberg, Refinitiv, Saturna Capital Research

The Materials sector stands out, compared to other sectors, for its high disclosure rates on GHG emissions, renewables, and water use across the Amana Funds. Saturna puts a high degree of emphasis on understanding how Materials companies are performing on these environmental issues. It is reaffirming that companies in this resource-intensive sector recognize these topics are important and are apt to provide stakeholders with information on performance.

When looking at disclosure rates across the Funds, it is surprising to see that disclosure among the Industrials sector is weak, particularly for renewable energy consumption and water intensity. While 80% of holdings across the Funds disclose GHG emissions, only 50% disclose renewable energy consumption and 60% disclose water intensity. Like Materials, Industrials is resource-intensive. It's also a sector filled with companies that stand to benefit from the transition to a low-carbon economy, as detailed in the following Johnson Controls case study. Despite having lower disclosure rates than other sectors, Industrials companies held in the Amana Funds tend to have better disclosure than the S&P 500 as a whole. Still, lower disclosure rates among Industrial companies compel us to reassess our holdings and make sure that the original investment theses are still intact.

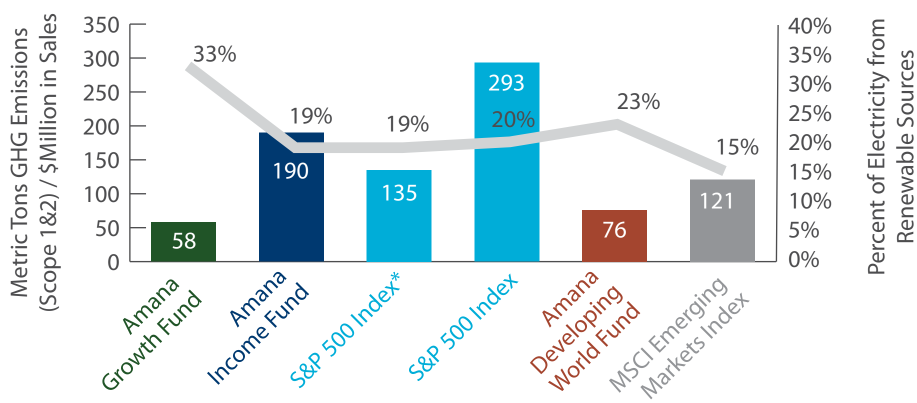
Disclosure provides useful information, but ultimately what matters is performance. It's valuable to dig into the numbers to better understand the drivers and implications of ESG performance. For instance, the *Greenhouse Gas Emissions and Renewable Energy Sources* bar chart demonstrates that the Growth and Income Funds have significantly lower GHG emissions intensity than the S&P 500. Yet the Funds' screens and investment processes remove several high emissions sectors such as Energy and Utilities. It is also important to consider performance with a comparable S&P 500 peer base that excludes the sectors and industries not held in the Funds.[A] This results in the Income Fund having higher emissions than the S&P 500*.

[A] *For this analysis we have excluded the Energy, Utilities, Real Estate, and Financial Services industries from the S&P 500* benchmark as neither the Growth nor Income Fund have positions in the industries.*

Environmental

At a portfolio level this data is concerning, but peeling back the layers we find that one company, Air Products & Chemicals, raises the Income Fund's average emissions intensity by 93 metric tons per million dollars in sales. Another company, Linde, raises the portfolio's average emissions intensity by 37 metric tons. Together Air Products and Linde raise the portfolio's average GHG emissions intensity from 60 to 190 metric tons per million dollars in sales. Why then do we continue to hold Air Products and Linde? Air Products notes that in 2020 it helped customers avoid 72 million metric tons of GHG emissions. For every metric ton of emissions the company produced, it helped customers save 3.0 metric tons, an improvement from 2.5 metric tons in 2019.[5] Linde's industrial gases helped customers avoid 85 million metric tons of GHG emissions in 2020. This means that for every metric ton of GHG emissions Linde produced, it helped customers save 2.3 metric tons.[6]

Greenhouse Gas Emissions and Renewable Energy Sources



**Excludes the Energy, Utilities, Real Estate, and Financial Services sectors.*

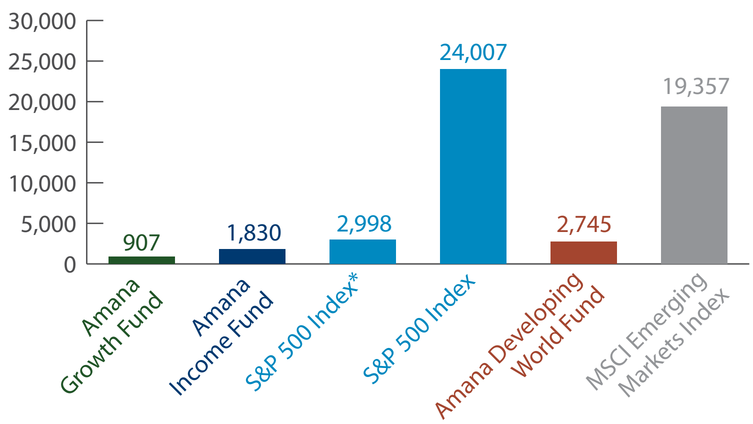
Source: Bloomberg, Saturna Capital Research

Understanding ESG performance performance and its context is a balancing act and one of the virtues of active ESG management. Along with determining the driving forces for company performance on ESG metrics, it's important to compare this with stated policies. In the water case study below, we find that the Growth and Income Funds have similar percentages of holdings with "Strong" or "Adequate" water management policies compared to the S&P 500, according to Sustainalytics.

When analyzing water management there are myriad aspects to consider, ranging from improving water quality to mitigating exposure to water-stressed regions to water recycling and consumption. Within this broad topic, we find that water consumption within a company's own operations is the most standardized and widely reported measure. Water consumption, like other ESG aspects, varies by industry. Where electric utilities companies use water to produce steam both to spin turbines and to cool generators, processed foods companies use it to clean ingredients. Although uses vary, companies can generally meter water consumption on premise or through bills from local water utilities. As depicted in the *Water Use Intensity* graphic, each Amana Fund has substantially lower water use intensity than its respective benchmark. Naturally, we'll continue to examine corporate programs and targets and judge performance against them but, as with financial figures, we're more interested in results than guidance.

Water Use Intensity

Cubic meters / $ Million in Sales



** Excludes the Energy, Utilities, Real Estate, and Financial Services sectors.*

Source: Refinitiv, Saturna Capital Research

Energy Consumption and Greenhouse Gas Emissions

From a historic cold snap in Texas during February to a record heatwave in the Pacific Northwest in June, this year demonstrated the severe consequences of continued GHG emissions. Persistent lessons that climate change is here and associated pressure on companies has helped generate positive momentum toward adopting GHG reduction programs. We see this improvement in GHG reduction efforts across each of the Amana Funds and their respective benchmarks. Similarly, both the Growth and Income Funds saw substantial improvements among holdings that reported renewable energy programs with time-bound quantitative targets. On this metric, the Developing World Fund was flat, but at more than double the adoption rate of the MSCI Emerging Markets Index, it continues to place emphasis on companies leading the transition to a low-carbon economy.

Percent of holdings/constituents reporting:

		2021	2020	2019
Has a Strong or Adequate GHG Reduction Program	Amana Growth Fund	89%	88%	93%
	Amana Income Fund	96%	92%	86%
	S&P 500 Index	85%	78%	76%
	Amana Developing World Fund	78%	70%	-
	MSCI Emerging Markets Index	62%	58%	-
Implemented Renewable Energy Program with Quantitative Targets and Clear Deadline	Amana Growth Fund	47%	31%	14%
	Amana Income Fund	45%	40%	24%
	S&P 500 Index	26%	21%	17%
	Amana Developing World Fund	23%	23%	-
	MSCI Emerging Markets Index	9%	8%	-

Source: Sustainalytics, Saturna Capital Research

Case Study: Johnson Controls

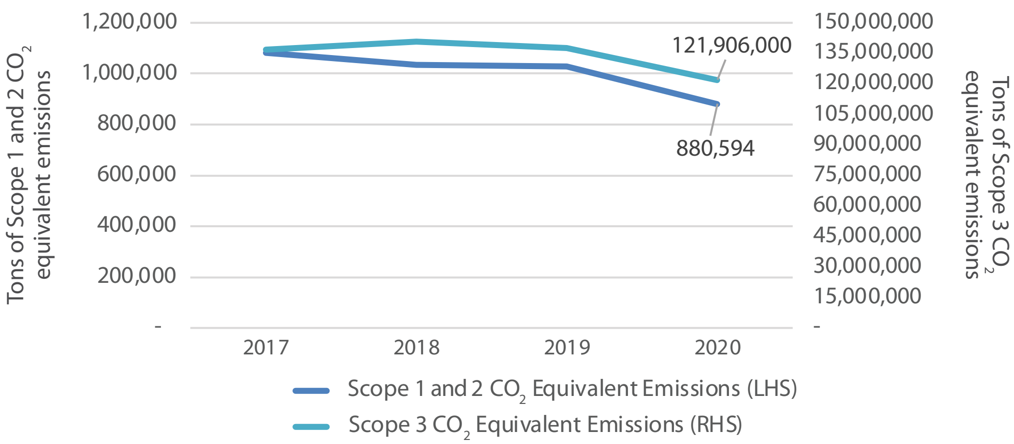
Johnson Controls' (JCI) history dates back nearly 140 years to 1883 when the company's founder invented the electric thermometer. Since then, the company has broadened its product offering to include a host of solutions focused on improving building safety, efficiency, and sustainability. Having ingrained sustainability in its mission and business strategy, JCI is included in 40 different sustainability indexes. Among its many ESG strengths, JCI's commitment to addressing climate change through both its own operations and those of its customers stand out. As part of its efforts to address climate change, JCI established the following commitments:

- Set science-based targets consistent with the 1.5°C Intergovernmental Panel on Climate Change (IPCC) scenario.
- Reduce absolute operational emissions by 55% and reduce absolute customers' emissions by 16% before 2030.
- Achieve net-zero carbon emissions before 2040, in-line with the United Nations Framework Convention on Climate Change Race to Zero and Business Ambition for 1.5°C criteria.
- Invest 75% of new product development R&D in climate-related innovation to develop sustainable products and services.
- Achieve 100 percent renewable electricity usage globally by 2040.

Energy Consumption and Greenhouse Gas Emissions

Among these commitments are two subtle but critical targets. First, JCI has focused on absolute GHG emissions as opposed to intensity-based targets. While intensity-based data helps to normalize figures allowing for comparison across industries, it ignores the fact that to address climate change, absolute emissions must be reduced. Second, JCI's focus on reducing customers' emissions, constituting the bulk of Scope 3 emissions in the *JCI Absolute Emissions Trends* graph, is many times more impactful than its efforts to reduce its operational emissions, which are accounted for in Scope 1 and 2. A 16% reduction in Scope 3 emissions from 2020 levels amounts to 19.5 million tons of CO_2-equivalent emissions, whereas a 55% reduction in Scope 1 and 2 emissions from 2020 levels amounts to 484,327 tons of CO_2-equivalent emissions. The order of magnitude difference in emissions levels forces the JCI graph to have separate scales for Scope 1 and 2 versus Scope 3. More importantly, it establishes that JCI's products are well positioned to help address climate change. This good-for-business, good-for-the-planet strategy is just the sort of win-win we're looking to hold in the Amana Funds.[7]

JCI Absolute Emissions Trends (in tons)



Source: Refinitiv, Saturna Capital Research

Update on 2020 Case Study: Stanley Black & Decker

Checking in on last year's energy and emissions case study of **Stanley Black & Decker** shows the company has continued to make strong progress on its initiatives. In 2021, Stanley Black & Decker took its 2030 goal of becoming carbon-neutral a step further and now seeks to be carbon-positive in its own operations by 2030. To do so, the company has partnered with Carbon Upcycling Technologies to deploy carbon capture reactors at Stanley Black & Decker manufacturing facilities. 2020 marked the final year of the sustainability goals the company outlined in 2016, as well as the new baseline for its 2023 goals.

Target	2020 Results	2020 Goal (2015 baseline)	2023 Goal (2020 baseline)
Reduce absolute carbon emissions	28% reduction	20% reduction	8% reduction
Reduce operational energy intensity	18% reduction	20% reduction	5% reduction
Percentage of energy from renewables	38%	10%	No target

While Stanley Black & Decker's ambition to be carbon-positive by 2030 is admirable, its 2023 energy and emissions targets appear underwhelming on the surface. However, unlike previous five-year targets, management has opted for a three-year timeline for its latest set of goals. By decreasing the amount of time to achieve its objectives, management establishes confidence it's not willing to delay efforts to address climate change. It's also worth noting that, the new targets are based on a lower baseline and will thus be more challenging to meet than the prior 2015 baseline. Still, we expect to see the company's positive momentum as it continues to reduce GHG emissions.[8]

Water Management

While climate risks are global in origin, water risk manifests at regional and local levels. While one area faces torrential rains and flooding, another could be suffering from drought, all while others experience water pollution. As with other commons, historically, water has been woefully underpriced. Despite the low cost of water on a per unit basis, companies are waking up to the numerous financial risks associated with its use. According to the CDP (formerly the Carbon Disclosure Project), companies responding to the CDP's water security questionnaire reported that the cost of water risks to business is five times higher than taking action. The value of these water risks are significant too, with a combined risk of loss amounting to $301 billion in business value if water issues are not addressed.[9] As with GHG emissions and renewable energy programs, the *Water Program* table shows widespread improvements in the fortitude of corporate water programs.

Percent of holdings/constituents reporting:

		2021	2020	2019
Has a Strong or Adequate Water Program	**Amana Growth Fund**	78%	67%	80%
	Amana Income Fund	80%	71%	77%
	S&P 500 Index	79%	75%	65%
	Amana Developing World Fund	83%	83%	-
	MSCI Emerging Markets Index	60%	57%	-

Source: Sustainaytics, Saturna Capital Research

Case Study: McCormick & Company

Globally, agriculture accounts for 70% of all freshwater withdrawals. As a global flavor company sourcing over 3,000 agricultural products from more than 85 countries, the water footprint of **McCormick & Company** reaches well beyond the doors of its operations. Recognizing that water risks are both crop and location-specific, McCormick partners with local farmers to implement water management best practices and address water risks.

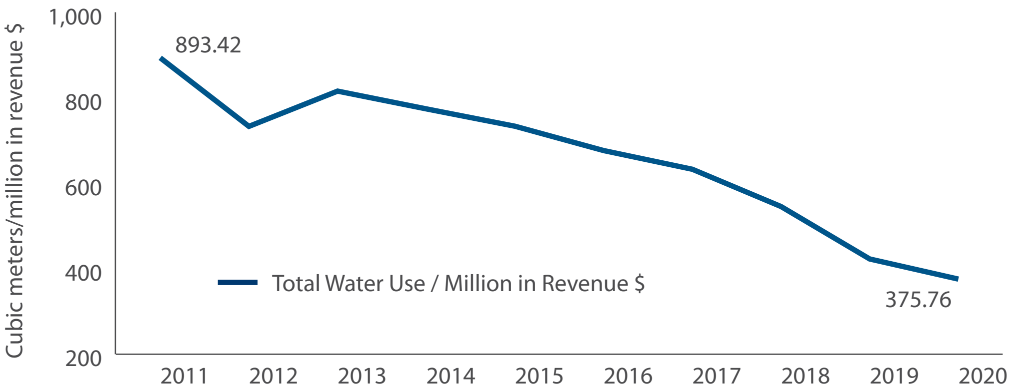
As part of its initiatives, the company has partnered with smallholder farmers of red pepper, one of its five "iconic ingredients," to reduce water usage through introducing drip irrigation on over 1,000 acres of farmland. Working to bring on new smallholder farms in Tamil Nadu, India, McCormick's staff recognized many villagers were suffering health problems from high levels of total dissolvable solids

(TDS). High levels of TDS are often caused by overuse of fertilizers and pesticides. To treat the tainted drinking water, McCormick funded the building of reverse osmosis purification facilities that serve nearly 20,000 individuals. To help address the source of the TDS and improve the general sustainability profile of these farms, McCormick is working with farmers and the Rainforest Alliance to introduce organic farming practices.[10]

Update on 2020 Case Study: Delta Electronics

Delta Electronics, covered in the Amana Funds 2020 Impact Report, has continued its leadership in managing water risk, receiving an "A" on its 2020 CDP Water Security questionnaire. This year the company surpassed its target of reducing water intensity by 30% from a 2015 baseline, delivering a 31% reduction in its main production plants and a 36% reduction across its remaining production, R&D, and administrative offices. Moving forward, Delta has established a target to further reduce its water intensity by 10% by 2025, from a 2020 baseline. In addition to improving water use efficiency, the company completed its development of risk assessment models. The models build off the World Resources Institute's Aqueduct Water Risk Atlas and have highlighted the company's Taoyuan Plant 2 and Cyntec Huafeng as the highest risk plants. Based on this assessment, the company has developed specific conservation programs for these plants.[11]

Delta Electronics' Total Water Use (in cubic meters) / Million in Revenue $



Source: Sustainaytics, Saturna Capital Research

Social

Social topics have not seen the same degree of standardization as environmental and governance topics. This is partly due to the issues being more sector and industry-specific; for instance, access to medicine is relevant for Health Care but not for Industrials, and production of weapons and munitions is relevant for aerospace and defense but not for Consumer Staples. The lower degree of standardization is also due to disparate approaches in measuring and reporting metrics even within industries and sub-industries. For instance, in the food and beverage space, one company may report efforts to reduce sodium, sugar, and other ingredients with minimal nutritional value, while another company reports percent of products meeting company-specific dietary guidelines. This lack of standardization both within and across industries is a further testament to the valuable addition of active, fundamental ESG analysis that allows for review of individual company progress.

Despite many social topics having company or industry-specific reporting, two issues stand out as relevant across the economy: employee diversity and employee health and wellness. Consistent with widespread applicability, we see higher disclosure of quantitative metrics for these topics. Across the metrics covered in the 2021 Impact Report, we see widespread improvements in disclosure both in the Funds and in their respective benchmarks. The one area where we see a decrease in disclosure is in the rate of companies held in the Growth Fund reporting lost time incidence. Given the Fund holds nearly 50% of assets in Technology companies, it is likely that fewer holdings consider workplace injuries to be material.

Percent of companies providing disclosure on social performance:

	Women in Management		Employee Lost Time Incidence Rate	
	2021	2020	2021	2020
Amana Growth Fund Fund	57%	45%	29%	36%
Amana Income Fund	64%	49%	67%	66%
S&P 500 Index	49%	36%	31%	28%
Amana Developing World Fund	40%	45%	24%	21%
MSCI Emerging Markets Index	30%	26%	20%	16%

Source: Bloomberg, Saturna Capital Research

US employers with with more than 100 employees are required to file an EEO-1 report with the federal government; this report details racial composition by level of employment. In its first annual survey of S&P 100 companies in 2020, Bloomberg received EE0-1 reports from only 25 companies. As of October 2021, Bloomberg had received 76, with 10 more promising to "provide them soon."[12] This increase is a positive signal that companies are ramping up their efforts to address inequality.

Given many companies are already required to gather employee diversity data and shareholders are increasingly concerned about corporate efforts, we expect to see additional quantitative disclosure on racial and ethnic diversity, as we have seen with gender. We have expanded this year's report to include racial and ethnic diversity performance. It's worth noting here that many developing markets are less ethnically diverse than the United States and thus we'd expect to see lower ethnic diversity figures in these markets. Additionally, Saturna recognizes that assessing diversity by level of employment can indicate which companies are further along in breaking the glass ceiling. We have expanded this year's report to also include an analysis of diversity by employment level. It's readily apparent in this data that racial and ethnic diversity still lag that of gender, and companies are more open about employee diversity than management diversity. To gain a sharper picture of diversity performance, both shortcomings need to be addressed.

Percent of companies providing disclosure on social performance:

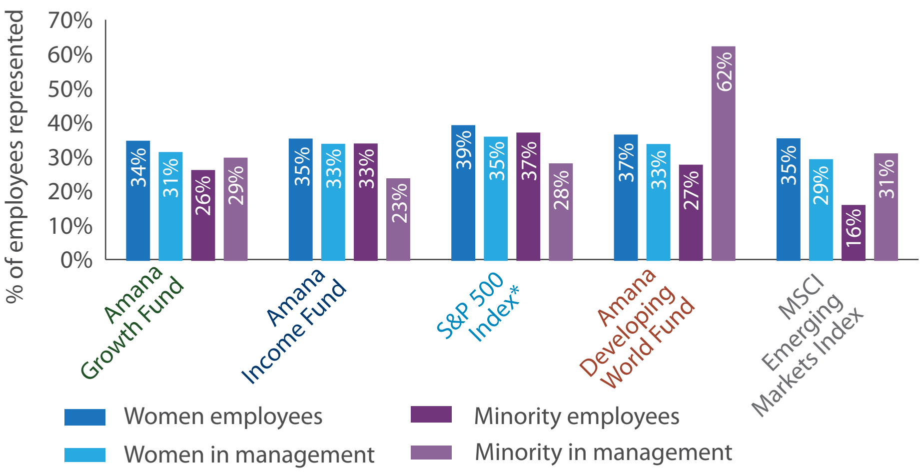
	Minority Employees	Minority in Management	Women Employees	Women in Management
Amana Growth Fund	20%	9%	94%	57%
Amana Income Fund	9%	3%	76%	64%
S&P 500 Index	32%	15%	74%	49%
Amana Developing World Fund	14%	2%	74%	40%
MSCI Emerging Markets Index	16%	3%	62%	30%

Source: Bloomberg, Saturna Capital Research

Social

Social performance must be understood in context when reviewing quantitative metrics. This is one of the reasons why we broadened our scope of diversity metrics to include both employee and management diversity rates. The overall levels of each are important, but so is the difference between the diversity of employees and that of management. The Growth and Income Funds have slightly less gender diversity in management than the S&P 500 and while this concerns us, we note that the disparity between employee gender diversity and that of management is less than the S&P 500.

Employee Diversity by Employment Level



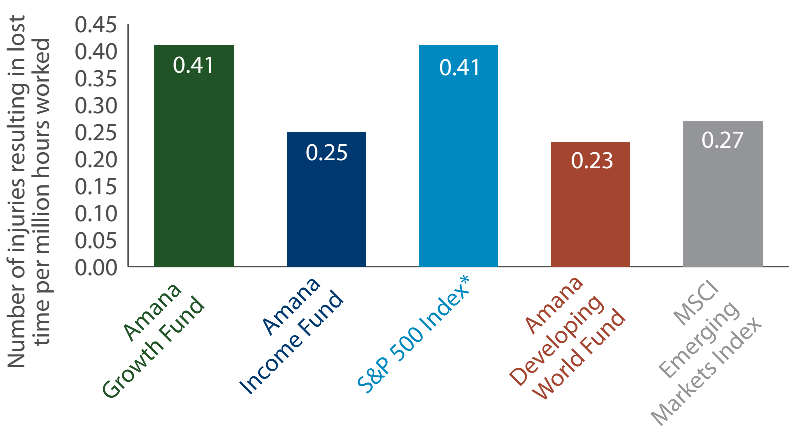
**Excludes the Energy, Utilities, Real Estate, and Financial Services sectors.*

Source: Bloomberg, Saturna Capital Research

Beyond expanding our coverage of metrics, investigating qualitative efforts that companies are making on diversity and inclusion helps provide further understanding. In the following case study we found that each Amana Fund had higher levels of companies reporting strong or adequate diversity and discrimination policies than their respective benchmarks, according to Sustainalytics. Such robust diversity and anti-discrimination efforts show that although the Growth and Income Funds lag the S&P 500 on certain metrics, they have the right programs in place to improve performance. Still, we recognize this as an area where we can further improve and refine our approach to integrating ESG.

As with disclosure rates, we see the Income and Developing World Funds fare better than their respective benchmarks, while the Growth Fund narrowly trails the S&P 500. Despite this, the Growth Fund maintains a lost time injury rate equal to that of the S&P 500. Both the Developing World Fund and its benchmark have low rates due to employees losing time from work due to job-related injury or illness. One has to question whether there is some bias in these figures, as disclosure rates for both the Fund and the benchmark are below 25%. Nevertheless, evaluating these results is an opportunity to dissect how the Amana Funds measure up to their benchmarks and how we can further improve our process.

Lost Time Incidence Rate



** Excludes the Energy, Utilities, Real Estate, and Financial Services industries.*

Source: Bloomberg, Saturna Capital Research

Diversity & Inclusion

Closing the gender pay gap would add an estimated $28 trillion to the value of the global economy by 2025, a 26% increase to forecast gross domestic product (GDP).[13] Similarly, closing the wealth gap between white and black families in the US from more than 10 times today to just under eight times in 2028 would add $1 trillion or 4% of projected US GDP. These high-level figures are just the foundation of what fighting discrimination can do for the global economy. Through fostering diversity and inclusion, companies are more likely to develop innovative offerings, enhance employee engagement and satisfaction, avoid the pitfalls of groupthink, and align product offerings and marketing messages with their end-users.[14]

Percent of holdings/constituents reporting:

		2021	2020	2019
Has a Strong or Adequate Discrimination Policy	Amana Growth Fund	88%	87%	87%
	Amana Income Fund	87%	84%	86%
	S&P 500 Index	85%	81%	83%
	Amana Developing World Fund	64%	43%	-
	MSCI Emerging Markets Index	35%	32%	-
Has a Strong or Adequate Diversity Policy	Amana Growth Fund	82%	72%	57%
	Amana Income Fund	90%	81%	74%
	S&P 500 Index	70%	56%	50%
	Amana Developing World Fund	32%	32%	-
	MSCI Emerging Markets Index	15%	11%	-

Source: Sustainaytics, Saturna Capital Research

Case Study: Alphabet

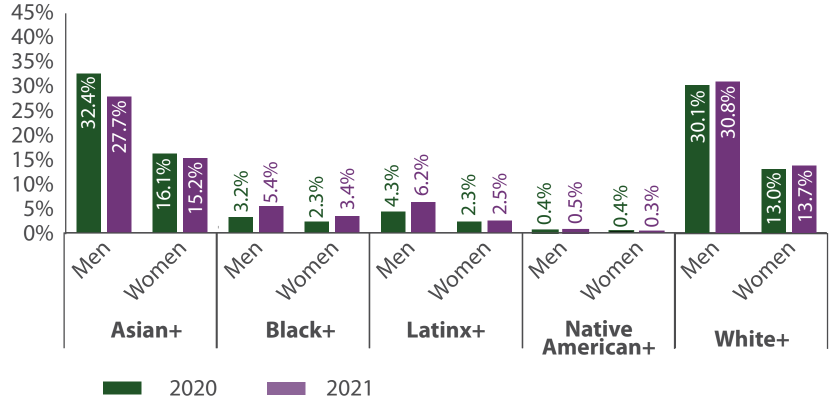
With nearly 6 billion daily searches, over 2 billion YouTube users, and 1.8 billion Gmail subscribers, **Alphabet** reaches a globally diverse audience. In order to support a diverse and inclusive workplace, the company must ensure that its products and services don't promote conscious or unconscious bias, its more than 130,000 employees are productive, and its offerings remain relevant. Recognizing this importance, Alphabet publishes a diversity report in addition to its annual report where it outlines key insights it gained during the year, initiatives it established or continued, and a robust set of key performance indicators (KPIs) to enhance accountability.

For 2020, Alphabet's primary insight was that "Hiring changes drove our best year yet for women in tech globally and Black+ and Latinx+ people in the US." The company attributes this success to actions such as training hiring managers on candidate advocacy and inclusive hiring steps, reducing English proficiency

requirements, providing scholarships to women in technology, and partnering with historically Black colleges and universities. As part of its strategy to further improve its efforts, Alphabet has set the following targets:

- Improve leadership representation of underrepresented groups by 30%.
- Double the number of Black+ and Latinx+ Googlers in non-leadership roles in the US.
- Double the number of Black+ directors across EMEA (Europe, Middle East, and Africa) by 2023.
- Grow their presence in cities that contribute to a high quality of life for Black+ Googlers by adding 10,000 jobs in Atlanta, Chicago, New York, and Washington, DC, as well as continuing to focus on recruiting Black+ Googlers in London.[15]

Intersectional Hiring in the United States



Source: Bloomberg, Saturna Capital Research

Update on 2020 Case Study: Johnson & Johnson

Over the past year, and indeed before, Johnson & Johnson has been the subject of ESG concerns. The company's commitment to fostering a diverse and inclusive workforce is one of the reasons we continue to hold the company and believe this commitment will lower the risk of further ESG transgressions. Like Alphabet, **Johnson & Johnson** releases an annual diversity and inclusion report in addition to its broader sustainability report. During 2020 the company was again recognized by a host of third parties for its continued efforts to foster a diverse workforce. Johnson & Johnson's awards and recognitions in 2020 include:

- Receiving 100% on the Human Rights Campaign Corporate Equality Index and being recognized as the Best Place to Work for LGBTQ Equality.
- The Forbes' Best Employer for Diversity Award for the second consecutive year.
- Inclusion in DiversityInc's Hall of Fame for Diversity & Inclusion.
- Ranking #4 on Latina Style's Top 50 Companies for Latinas.
- Receiving 100% from the Disability Equality Index.
- Recognition by the National Association for Female Executives as a top company for executive women.
- Inclusion on Working Mother's list of Best Companies for Multicultural Women.[16]

Health & Safety Management Systems

At the end of July 2021 there were 10.9 million job openings in the United States,[17] yet more than 3.2 million Americans stated they weren't employed in mid-August due to concerns of safe working environments amid the COVID-19 pandemic. Given this imbalance, it's clear improving health and safety conditions in the workplace has wide-reaching economic implications. To put it directly into dollar figures, workplace injuries cost the American economy $171 million in 2019 largely due to productivity losses, medical expenses, and administrative expenses.[18]

Percent of holdings/constituents reporting:

		2021	2020	2019
Has a Strong or Adequate Health & Safety Management System	**Amana Growth Fund**	77%	92%	81%
	Amana Income Fund	95%	67%	71%
	S&P 500 Index	79%	66%	60%
	Amana Developing World Fund	85%	75%	-
	MSCI Emerging Markets Index	66%	64%	-

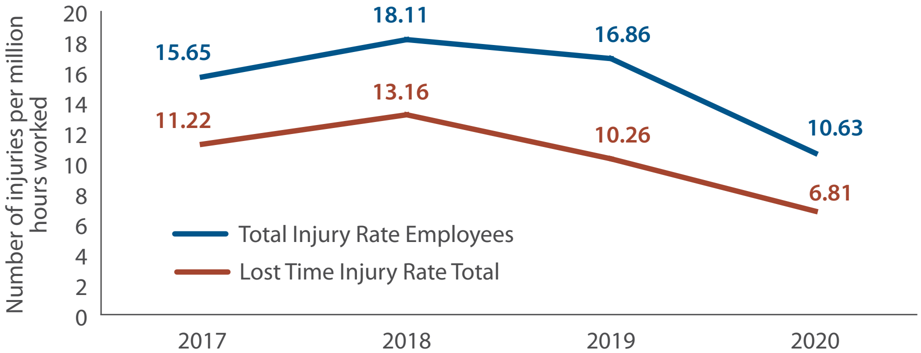
Source: Sustainaytics, Saturna Capital Research

Case Study: Fleury SA

During the pandemic, employees across numerous industries have faced increased health and safety risks. Those that are the most vulnerable to these heightened threats are health care workers. The employees of **Fleury SA**, one of Brazil's largest medical and health organizations, were on the frontlines of the pandemic as they provided medical tests and clinical analysis. The company reacted quickly to protect its more than 10,000 employees and 2,400 physicians from the pandemic as well as preexisting risks. For 98% of administrative employees, it implemented work-from-home measures. For clinical and hospital staff, the company was able to secure and guarantee access to personal protective equipment. Thanks to its robust programs and rapid implementation, Fleury saw its lowest total injury[A] and lost time injury[B] rates since it began reporting the figures in 2017.[19]

[A] *Total number of injuries and fatalities including no-lost-time injuries relative to one million hours worked.*
[B] *Total number of injuries that caused the employees and contractors to lose at least a working day relative to one million hours worked.*

Fleury's Injury Rates



Source: Refinitiv, Saturna Capital Research

Update on 2020 Case Study: Honeywell

In 2020, **Honeywell** generated 20% of sales from its Safety and Productivity Solutions business. Given safety is a large part of the company's sales, it's not surprising that Honeywell focuses on continually improving its internal employee health and safety programs. Honeywell's Total Case Incident Rate (TCIR), which measures the number of occupational injuries and illnesses per 100 employees, fell from 0.37 in 2019 to 0.29 in 2020. Honeywell's rate is more than four times better than the weighted average TCIR for the industries in which the company operates. As part of its efforts for continual improvement, the company has joined the Occupational Health and Safety Administration's (OSHA) Voluntary Protection Program (VPP). The VPP sets site-based safety and health protocols and performance-based criteria for health and safety management systems. Through 2020, Honeywell received VPP STAR recognition, the highest level given, at 19 of its US manufacturing sites.[20]

Governance

The modern ESG investing movement is built on the foundation of faith-based investing and an understanding of the value of good governance, a lesson that dates to the first modern corporation.[21] Since Saturna's founding in 1989, we have practiced faith-based investing and held the belief that strong corporate governance is critical for the companies in which we invest. Our focus on governance is based on the recognition that the principal-agent problem is inherent in many public companies. This problem occurs when the majority owners of a company are not responsible for managing the business; thus, management's wants may not align with its investors. Thanks to widespread recognition of this conundrum and a consensus that robust supervision is positive for investors, we see high disclosure rates for metrics on corporate governance.

Percent of companies providing disclosure on governance performance:

	Women Board Directors		Independent Board Directors		Board Cultural Diversity
	2021	2020	2021	2020	2021
Amana Growth Fund	100%	100%	100%	100%	46%
Amana Income Fund	100%	97%	100%	97%	42%
S&P 500 Index	100%	99%	100%	100%	26%
Amana Developing World Fund	95%	97%	93%	97%	29%
MSCI Emerging Markets Index	91%	89%	90%	94%	20%

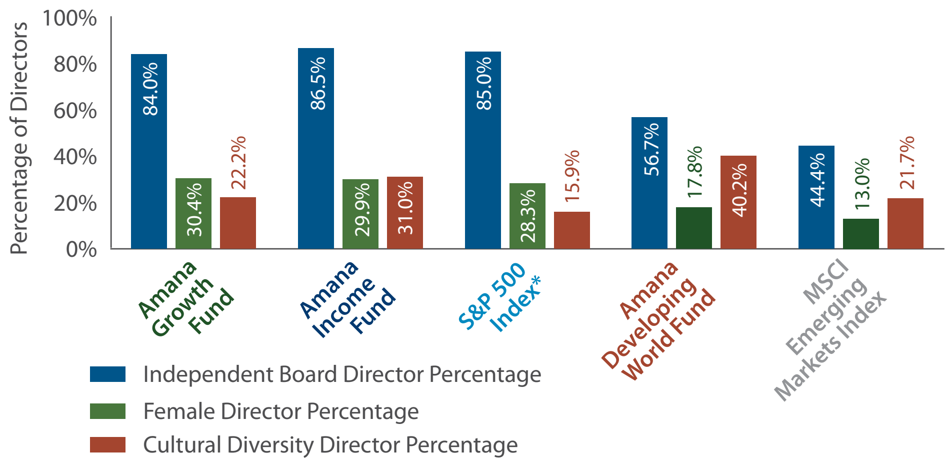
Source: Bloomberg, Refinitiv, Saturna Capital Research

Diversity of thought is integral to overseeing a business and its management. A homogenous group of directors can increase the risk of unforeseen problems arising. Lack of diverse perspectives can also lead to groupthink, which is dangerous for companies competing in a continuously evolving marketplace. Increasing board membership from underrepresented groups is one clear way to add diversity in thought. One metric Saturna has historically tracked is board gender diversity. We are pleased to see progress in the data availability on board gender composition, and we acknowledge that it is one aspect among several that build diversity in thought.

To broaden our view on board diversity we have included board cultural diversity in this year's report. This metric provides insight on diversity in thought by including individuals whose race, ethnicity, nationality, or religion differs from the dominant culture of each company's headquarters. This is an area Saturna analysts have historically tracked and incorporated in our fundamental analysis. Like employee diversity figures, disclosure on board ethnic and cultural diversity trails that of gender. With continued investor interest in broader measures of diversity, we expect to see further improvement in

disclosure of cultural diversity. The *Board Diversity* chart shows the holdings in each Amana Fund have greater gender and cultural diversity than each of their respective benchmarks.

Board Diversity



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

Another important consideration when addressing the principle-agent issue is board independence. To better align investor interests with those governing the company, the majority of board members should be independent. Internal board members, such as current or former executives, founding family members, or other interested parties, may not be incentivized to act in the outside investors' best interests. The notion that having a majority of independent board members is widely recognized as valuable to investors and underlies the high rates seen in Amana Growth, Income, and the S&P 500. In the Developing World Fund, we note much lower board independence rates. Developing countries tend to have more family-run, founder-held, or state-owned businesses, making them less receptive to investor calls for greater independence.[22]

In addition to aligning investor and management views, company leaders must create policies that compel employees to act ethically. For businesses that employ thousands or hundreds of thousands, it is critical for management to incentivize employees to act in the company's long-term interest, instead of their own near-term benefits. To understand management's ability to encourage ethical behavior, we analyze efforts to curb corruption and bribery, enhance business integrity, and provide avenues for whistleblowers. To this end, companies with strong governance systems will align the interests of employees with those of the firm, and management's incentives with the shareholders.

Board Independence & Diversity

Groupthink poses an existential risk to companies, limiting corporate leadership from seeing hidden risks or emerging opportunities. One way to address the blinders of groupthink is through developing diverse boards. Recognizing the importance of varied perspectives, companies have made progress enhancing board diversity. In 2021, 43% of new directors were women. While this is down from 47% in 2020, women now represent 30% of all S&P directors, the most ever. S&P 500 boards have also improved racial and ethnic diversity with 47% of new directors being Black/African American, Hispanic/Latin, Asian, American Indian/Native Alaskan, and/or multiracial, up from 22% in 2020. Still, only 21% of all S&P 500 board members are racially or ethnically diverse.[23]

Each Amana Fund leads its respective benchmark on gender and cultural diversity measures. While the Growth Fund trails the S&P 500 on board independence, we note that every holding in the Fund has at least 50% independent director representation.

Percent of holdings / constituents reporting:

		2021	2020	2019
33% or more women on the board	Amana Growth Fund	43%	27%	30%
	Amana Income Fund	45%	26%	27%
	S&P 500 Index	31%	24%	25%
	Amana Developing World Fund	20%	16%	-
	MSCI Emerging Markets Index	8%	7%	-
33% or greater cultural diversity on the board	Amana Growth Fund	25%	-	-
	Amana Income Fund	43%	-	-
	S&P 500 Index	8%	-	-
	Amana Developing World Fund	58%	-	-
	MSCI Emerging Markets Index	17%	-	-
At least 75% of the board is independent	Amana Growth Fund	77%	79%	84%
	Amana Income Fund	91%	94%	94%
	S&P 500 Index	91%	91%	91%
	Amana Developing World Fund	26%	24%	-
	MSCI Emerging Markets Index	4%	3%	-

Case Study: Microsoft

Microsoft, the second-largest company by market capitalization with operations spanning the globe, is keenly aware of the value of a diverse board. Five out of the company's 11 directors are women or ethnic minorities, making it one of the most diverse large capitalization technology companies. Understanding that importance of diversity in leadership, Microsoft's board stated in its 2020 annual proxy that it is "committed to actively seeking highly qualified women and individuals from minority groups to include in the pool of potential CEO candidates." Three out of four board committees at Microsoft (Compensation, Governance and Nomination, and Regulatory and Public Policy) are chaired by women and/or ethnic minorities.

Update on 2020 Case Study: Newmont

After reaching gender parity on its board in 2020, **Newmont** saw board gender diversity nearly cut in half during 2021. Female representation on the board saw a marked decrease when two women reached their 15-year term limits. While the numbers raise some concern, Newmont is clearly not turning its back on diversity. According to the company, the two women whose terms ended were replaced by one man from Ghana and another from Mexico to improve the company's leadership representation from these two increasingly important geographies. The company maintains that 70% of directors are either gender, racially, or ethnically diverse, and that it is looking to enhance "every single dimension of diversity." Still, we'll be tracking Newmont to make sure further losses in gender diversity don't occur.[24]

Ethical Business Practices

Ethical practices are a cornerstone to a business's social license to operate. Failure to maintain a *de minimis* level of ethical behavior can quickly lead to a company's undoing, while robust policies and honorable actions can assuage society's scorn and provide smoother operating conditions. As technology advances and society progresses, corruption remains as rampant as ever. According to Transparency International's Annual Corruption Perception Index (CPI), close to half of all countries have failed to improve their CPI score since 2012.[25] This failure at the international level has direct implications for corporates and it shows the need for businesses to lead efforts to address the issue.

Percent of holdings/constituents reporting:

		2021	2020	2019
Has Adequate Bribery and Corruption Policy	**Amana Growth Fund**	81%	66%	67%
	Amana Income Fund	79%	60%	68%
	S&P 500 Index	61%	54%	63%
	Amana Developing World Fund	62%	52%	-
	MSCI Emerging Markets Index	25%	23%	-
Has Adequate Whistleblower Policy	**Amana Growth Fund**	90%	93%	84%
	Amana Income Fund	97%	97%	94%
	S&P 500 Index	95%	93%	91%
	Amana Developing World Fund	80%	70%	-
	MSCI Emerging Markets Index	39%	37%	-

Source: Sustainaytics, Saturna Capital Research

Case Study: Barrick Gold

Natural resource companies are particularly exposed to ethical dilemmas that, if mishandled, can lead to recission of their social license to operate. These companies often operate on land leased from local and federal governments. Although the land is generally held in the interest of the governed, there is opportunity for nefarious action on behalf of both governments and corporations that could reduce the dues paid to society. The opportunity for such devious actions can be heightened in developing markets, where laws and their enforcement may be lacking. With more than 50% of its assets in developing markets, **Barrick Gold** maintains a zero-tolerance policy for bribery and corruption. The company codified this in its Anti-Bribery and Anti-Corruption Policy along with its Code of Business Conduct and Ethics, which apply to both employees and contractors.

To fight corruption in its operations and supply chain, Barrick upholds a five-part Business Integrity and Ethics program. The program begins with Code of Conduct training, which the company aims to have 90% of assigned employees complete annually. Barrick ties performance on this goal to executive compensation, and 100% of employees completed the training in 2020. The second step is a formal risk assessment of each mine site that is completed at least every three years and is overseen by the Board's Audit & Risk Committee. The third step is minimizing risk. To do so, high-risk transactions are reviewed including related meals, gifts, entertainment, and any other support given to or received from relevant partners. The fourth step is reporting. This stage includes both resources and protection internally for whistleblowers and reporting results to stakeholders, as shown in the *Hotline Reports Received* table. The fifth and final step is protecting the chain, which essentially incorporates Barrick's suppliers in each of the previous four steps.[26]

Hotline Reports Received	2020	2019	2018
Conflict of Interest	21	38	29
Disclosure / Controls / Confidentiality / Bribery	4	19	54
Human Rights	0	4	3
Theft / Fraud / Misuse of assets	6	8	26
Workplace Concerns (e.g., labor, safety)	120	152	139
Total	**151**	**221**	**251**

Update on 2020 Case Study: Ford Otosan

Building on its progress from 2019, **Ford Otosan** continues to support robust policies for business ethics and anti-corruption. Along with these policies, the company provides a host of tools for employees to leverage in managing ethical dilemmas and upholding the company's code of ethics. During 2020, Ford Otosan:

- Reported that 3,842 office employees had completed anti-bribery and anti-corruption training, up from 2,639 in 2019.
- Received 68 whistleblower tips (65 in 2019) resulting in 28 disciplinary actions (24 in 2019), and none were associated with bribery or corruption.[27]

EQUITY INVESTMENT PROCESS

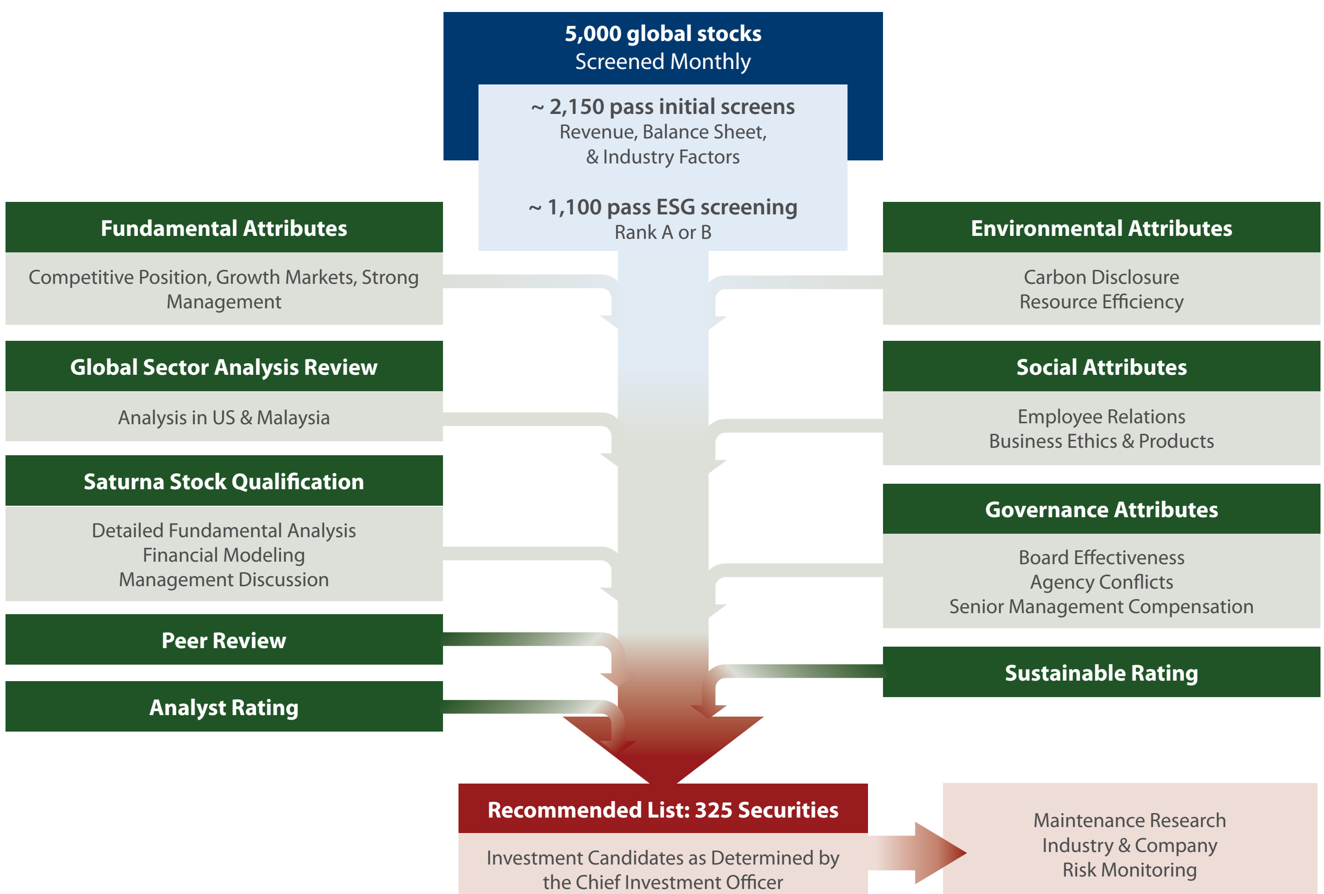
AMANA FUNDS

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

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

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

Amana's equity funds also support the fossil fuel divestment campaign by excluding energy extraction and refining companies.



About Saturna

Saturna Capital, manager of the Amana, Saturna Sustainable, Sextant, and Idaho Tax-Exempt 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 environmental, social, and governance (ESG) 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 ESG 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.

Adviser Spotlight

Saturna Capital, investment adviser to the Amana Mutual Funds, believes that traditional barometers by which investment risk is measured have expanded by necessity to include risks related to environmental, social, and governance practices. The threat of climate risk is intricately linked to more familiar forms of risk including regulatory and reputational risk. As environmental issues (like wildfires) and social and governance issues (like data security and customer privacy) continue to grab headlines and weigh on the minds of consumers, financial markets will see upheaval and consumers will become savvier, choosing to vote with their dollars by moving towards less impactful products and activities.Saturna Capital's analysts are committed to identifying trends, top performers, and solutions providers among industries, so that we can be sure our investments are well positioned for the long-term, new normal.

FUND STRATEGY OVERVIEWS

Amana Income Fund: Strategy Overview

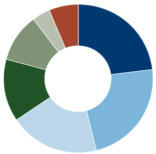
The Income Fund invests primarily in dividend-paying common stocks, including foreign stocks. Investment decisions are made in accordance with Islamic principles. Generally, Islamic principles require that investors share in profit and loss, that they receive no usury or interest, and that they do not invest in a business that is prohibited by Islamic principles. Some of the businesses not permitted are alcohol, pornography, insurance, gambling, pork processing, and interest-based banks or finance associations.

Top 10 Holdings

Top 10 Holdings	% of Net Assets
Eli Lilly	8.57%
Microsoft	7.47%
Taiwan Semiconductor ADS	6.10%
Rockwell Automation	5.84%
Illinois Tool Works	4.11%
Honeywell International	3.66%
PPG Industries	3.59%
Pfizer	3.28%
McCormick & Co.	3.22%
Carlisle	3.21%
Total	**49.05%**

Sector Allocation

Sector	%
Health Care	23.21%
Technology	23.10%
Industrials	19.37%
Materials	13.52%
Consumer Staples	10.69%
Consumer Discretionary	3.91%
Cash and equivalents	6.20%



Data as of September 30, 2021. Sector weightings are shown as a percentage of total net assets.

Investment Strategies

The Income Fund does not make any investments that pay interest. Islamic principles discourage speculation, and the Fund tends to hold investments for several years.

The Income Fund diversifies its investments across industries and companies, and principally follows a large-cap value investment style. Common stock purchases are restricted to dividend-paying companies. The Fund seeks companies demonstrating both Islamic and sustainable characteristics. The Fund's adviser (Saturna Capital Corporation) considers issuers with sustainable characteristics to be those issuers that are more established, consistently profitable, financially strong, and with robust policies in the areas of the environment, social responsibility, and corporate governance ("ESG"). The Fund's adviser employs a sustainable rating system based on its own, as well as third-party, data to identify issuers believed to present low risks in ESG. The Fund's adviser also uses negative screening to exclude security issuers primarily engaged in higher ESG risk businesses such as alcohol, tobacco, pornography, weapons, gambling, and fossil fuel extraction.

It is the policy of the Income Fund, under normal circumstances, to invest at least 80% of its total net assets in income-producing securities, primarily dividend-paying common stocks.

Principal Risks of Investing

Investing in equities involves a variety of risks including market risk (fluctuation and volatility of the value of securities), investment strategy risk, equity securities risk, and foreign investing risk. We think that sustainable investing may mitigate security-specific risk, but the screens used in connection with sustainable and Islamic investing reduce the investable universe, which limits opportunities and may affect performance.

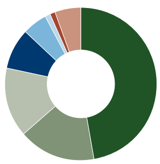
The Growth Fund invests only in common stocks, including foreign stocks. Investment decisions are made in accordance with Islamic principles. Generally, Islamic principles require that investors share in profit and loss, that they receive no usury or interest, and that they do not invest in a business that is prohibited by Islamic principles. Some of the businesses not permitted are alcohol, pornography, insurance, gambling, pork processing, and interest-based banks or finance associations.

Top 10 Holdings

Top 10 Holdings	% of Net Assets
Apple	8.76%
Intuit	7.46%
Adobe	7.07%
ASML Holding NY	7.05%
Agilent Technologies	4.35%
Estee Lauder, Class A	4.22%
Taiwan Semiconductor ADS	4.19%
Trimble	3.79%
Qualcomm	3.17%
Church & Dwight	3.04%
Total	**53.10%**

Sector Allocation

Sector	%
Technology	47.24%
Health Care	16.43%
Industrials	14.67%
Consumer Staples	8.62%
Consumer Discretionary	5.27%
Materials	1.25%
Communications	1.03%
Cash and equivalents	5.49%



Data as of September 30, 2021. Sector weightings are shown as a percentage of total net assets.

Investment Strategies

The Growth Fund does not make any investments that pay interest. Islamic principles discourage speculation, and the Fund tends to hold investments for several years.

The Growth Fund diversifies its investments across industries and companies, and principally follows a large-cap value investment style. The Fund favors companies expected to grow earnings and stock prices faster than the economy. The Fund may also invest in smaller and less seasoned companies. The Fund seeks companies demonstrating both Islamic and sustainable characteristics. The Fund's adviser (Saturna Capital Corporation) considers issuers with sustainable characteristics to be those issuers that are more established, consistently profitable, financially strong, and with robust policies in the areas of the environment, social responsibility, and corporate governance ("ESG"). The Fund's adviser employs a sustainable rating system based on its own, as well as third-party, data to identify issuers believed to present low risks in ESG. The Fund's adviser also uses negative screening to exclude security issuers primarily engaged in higher ESG risk businesses such as alcohol, tobacco, pornography, weapons, gambling, and fossil fuel extraction.

It is the policy of the Growth Fund, under normal circumstances, to invest at least 80% of total net assets in common stocks. The Fund's adviser (Saturna Capital Corporation) selects investments primarily on past earnings, revenue growth rates, and the expectation of increases in earnings and share price.

Principal Risks of Investing

Investing in equities involves a variety of risks including market risk (fluctuation and volatility of the value of securities), small-cap risk, investment strategy risk, equity securities risk, foreign investing risk, and Technology sector risk. We think that sustainable investing may mitigate security-specific risk, but the screens used in connection with sustainable and Islamic investing reduce the investable universe, which limits opportunities and may affect performance.

Amana Developing World Fund: Strategy Overview

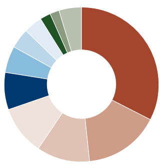
Under normal circumstances, the Developing World Fund invests at least 80% of total net assets in common stocks of companies with significant exposure (50% or more of production assets, or revenues) to countries with developing economies and/or markets. Investment decisions are made in accordance with Islamic principles. Generally, Islamic principles require that investors share in profit and loss, that they receive no usury or interest, and that they do not invest in a business that is prohibited by Islamic principles. Some of the businesses not permitted are alcohol, pornography, insurance, gambling, pork processing, and interest-based banks or finance associations.

Top 10 Holdings

	% of Net Assets
Silergy	8.31%
Techtronic Industries	3.82%
Taiwan Semiconductor ADS	3.23%
Monolithic Power Systems	2.61%
Kansas City Southern Industries	2.43%
Telekomunikasi Indonesia ADS	2.35%
Advantech	2.30%
Clicks Group	2.29%
Unicharm	2.26%
Unilever ADS	2.24%
Total	**31.84%**

Sector Allocation

Technology	29.22%
Consumer Staples	14.98%
Consumer Discretionary	10.12%
Health Care	9.60%
Industrials	6.98%
Communications	5.30%
Financials	3.94%
Materials	3.62%
Utilities	2.04%
Energy	1.72%
Cash and equivalents	12.48%



Data as of September 30, 2021. Sector weightings are shown as a percentage of total net assets.

Investment Strategies

The Developing World Fund does not make any investments that pay interest. Islamic principles discourage speculation, and the Funds tend to hold investments for several years.

The Developing World Fund diversifies its investments across the industries, companies, and countries of the developing world, and principally follows a large-cap value investment style. The Fund seeks companies demonstrating both Islamic and sustainable characteristics. The Fund's adviser considers issuers with sustainable characteristics to be those issuers that are more established, consistently profitable, financially strong, and with robust policies in the areas of the environment, social responsibility, and corporate governance ("ESG"). The Fund's adviser employs a sustainable rating system based on its own, as well as third-party, data to identify issuers believed to present low risks in ESG. The Fund's adviser also uses negative screening to exclude security issuers primarily engaged in higher ESG risk businesses such as alcohol, tobacco, pornography, weapons, gambling, and fossil fuel extraction.

In determining whether a country is part of the developing world, the Fund's adviser (Saturna Capital Corporation) will consider such factors as the country's per capita GDP, the percentage of the country's economy that is industrialized, market capitalization as a percentage of GDP, the overall regulatory environment, and limits on foreign ownership and restrictions on repatriation of initial capital or income.

By allowing investments in companies headquartered in more advanced economies yet having the majority of production assets or revenues in the developing world, the Developing World Fund seeks to reduce its foreign investing risk.

Principal Risks of Investing

Investing in equities involves a variety of risks including market risk (fluctuation and volatility of the value of securities), investment strategy risk, equity securities risk, foreign investing risk, and developing world risk. We think that sustainable investing may mitigate security-specific risk, but the screens used in connection with sustainable and Islamic investing reduce the investable universe, which limits opportunities and may affect performance.

Footnotes

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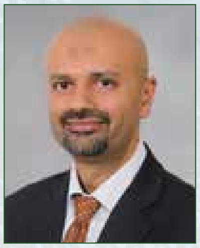
About the Authors

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

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

Scott Klimo CFA®
Chief Investment Officer and Portfolio Manager

Scott Klimo, Vice President, Chief Investment Officer, and Portfolio Manager, joined Saturna Capital in May 2012. He received his BA in Asian Studies from Hamilton College in Clinton, NY and also attended the Chinese University of Hong Kong and the Mandarin Training Center in Taipei, Taiwan. Mr. Klimo has over 30 years' experience in the financial industry with the first several years of his career spent living and working in a variety of Asian countries and the past 20 years working as a senior analyst, research director, and portfolio manager covering global equities. Mr. Klimo is a chartered financial analyst (CFA) charterholder. He is a supporter of various environmental organizations and served for several years on the Board of Directors of the Marin County Bicycle Coalition.



Monem Salam MBA

Executive Vice President and Portfolio Manager

Monem Salam, Executive Vice President and Portfolio Manager, joined Saturna Capital in 2003. He served as the Director of Islamic investing and a Deputy Portfolio Manager to the Amana Mutual Funds Trust until moving to Kuala Lumpur in 2012 to oversee Saturna Sdn. Bhd. In 2018, he returned to the United States and is currently the Portfolio Manager of the Amana Income and Amana Developing World Funds, and Deputy Portfolio Manager of the Amana Growth Fund.

Mr. Salam earned degrees from the University of Texas: BA (Austin) and MBA (Dallas). Previous to Saturna, he worked as the Chief Investment Officer for ITG & Associates (Dallas) and as a representative with Morgan Stanley (suburban Dallas).

Mr. Salam is an adjunct professor at IE Business School and speaks at Islamic finance/investment conferences worldwide. He is co-author of *A Muslim's Guide to Investing and Personal Finance*. Mr. Salam has authored chapters on Islamic Investing in both *Contemporary Islamic Finance* and *Islamic Capital Markets,* and he contributes articles to leading Islamic financial magazines. As a mark of recognition of his achievements in the Islamic economy, Mr. Salam was ranked among 500 of the Islamic world's most prominent and influential leaders by ISLAMICA 500 in 2015.

Ownership of Securities Mentioned

As of September 30, 2021, the Funds held the following percentages of securities in their portfolios (% of net assets):

	Amana Income	Amana Growth	Amana Developing World
Alphabet	-	1.03%	-
Barrick Gold	-	-	1.87%
Delta Electronics	-	-	2.10%
Fleury SA	-	-	1.80%
Ford Otosan	-	-	2.14%
Honeywell	3.66%	-	-
Johnson Controls	-	2.18%	-
Johnson & Johnson	1.07%	1.88%	-
Linde	2.53%	-	-
McCormick	3.22%	-	-
Microsoft	7.47%	1.04%	-
Newmont	-	1.25%	-
Stanley Black & Decker	0.84%	-	-

Please consider an investment's objectives, risks, charges, and expenses carefully before investing. To obtain this and other important information about the Amana 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.

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Important Disclosures

In this report, we focused on reporting ESG metrics for Amana Income, Amana Growth, and Amana Developing World Funds.

Amana Participation Fund does not have an ESG mandate.

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The S&P 500 is an index comprised of 500 widely held common stocks considered to be representative of the US stock market in general. The MSCI Emerging Markets Index, produced by Morgan Stanley Capital International, measures equity market performance in over 20 emerging market countries. When available, Saturna uses total return components of indices mentioned. Investors cannot invest directly in the indices.

A Few Words About Risk

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 go up and down. The 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.

Saturna Capital

Amana Mutual Funds Trust

FOLLOWING ISLAMIC & ESG INVESTING PRINCIPLES

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