Fund Commentary Q3 2022

Saturna Capital

Saturna Sustainable Funds

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

Excerpts from past Saturna Sustainable Funds Trust quarterly commentaries:

Q3 2019 – "Political tensions have been on the rise across the globe."

Q3 2020 – "Uncomfortably unpredictable . . ."

Q4 2020 – "Valuations continue to be a point of contention."

Q3 2021 – "It's reasonable to anticipate that these high energy prices will hamper future economic activity and slow the global recovery."

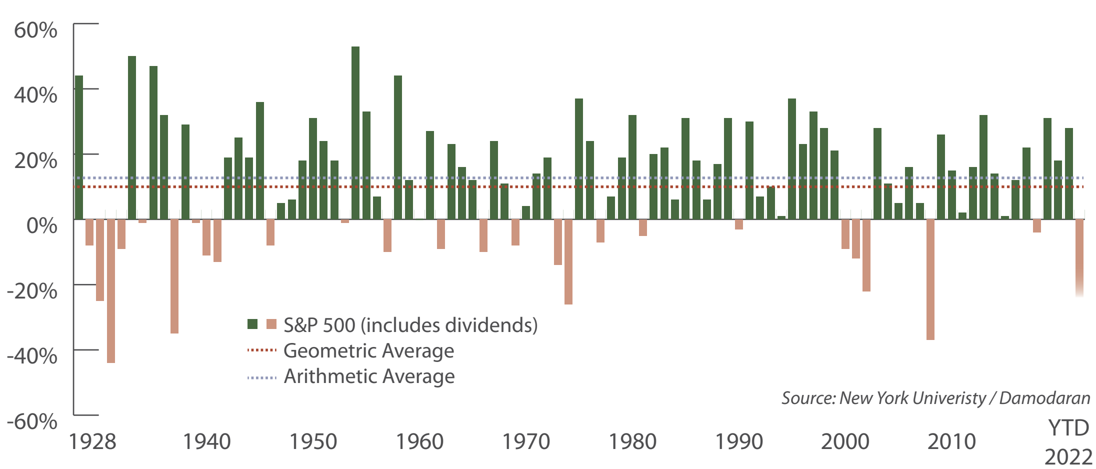
Q4 2021 – "We have little insight into inflation and interest rates in 2022. The removal of fiscal and monetary stimulus implies tightening conditions."

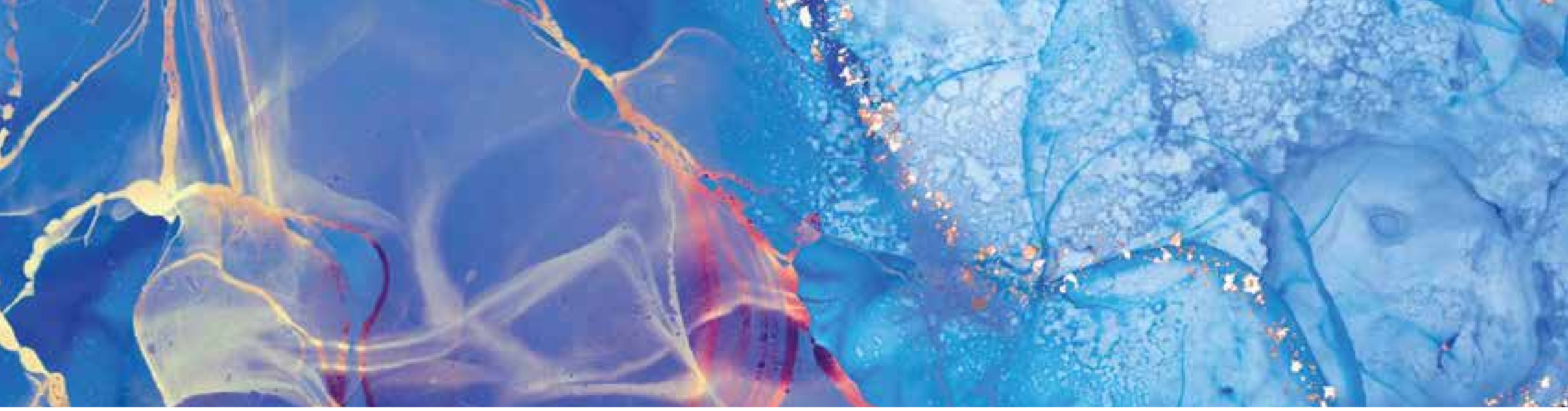
Times of tumult, such as we've seen this year, warrant reflection. The pandemic and the government's shifting focus to issues at home overshadowed the saber-rattling seen in 2019. Part of this shift included a flood of fiscal and monetary stimulus, which provided support to keep economies from succumbing to a microscopic agent, but eventually led asset prices to balloon and the economy to overheat.

With the S&P 500 down -23.87% year-to-date and negative news in abundance, investors have legitimate concerns; however, a longer-term view can be instructive. In 2020, the S&P 500 returned more than 18%, only to be outdone by returns exceeding 28% in 2021. Returns of this magnitude are not the norm. Since 1928, the S&P 500 has averaged returns between 10% and 12%. Despite this year's decline, at the end of the third quarter, the S&P 500 still stood 16% ahead of where it finished at year-end 2019.

Investors may wonder if we've hit bottom; there have only been six instances in which the S&P 500 has fallen more than -20% since 1928. At Saturna, we're not in the business of timing market cycles, but we are in the business of managing risk. So, which of the risks highlighted in previous quarterly commentaries remain relevant?

S&P 500 Annual Returns





Geopolitical Risks

Russia's invasion of Ukraine clearly shows that geopolitical risk remains in play. Ukraine's continued battlefield successes combined with Putin's desperation and annexation of Ukrainian territory raises the nuclear stakes. Any nuclear deployment almost certainly pulls NATO into the conflict. Meanwhile, economic challenges in China, Xi Jinping's confirmation for a third term as president, and US distraction in Ukraine raises the risks of China invading or blockading Taiwan. Political tail risks of this nature are impossible to predict, but peaceful solutions to either the Russian-Ukrainian war or China-Taiwan tensions are, at best, distant.

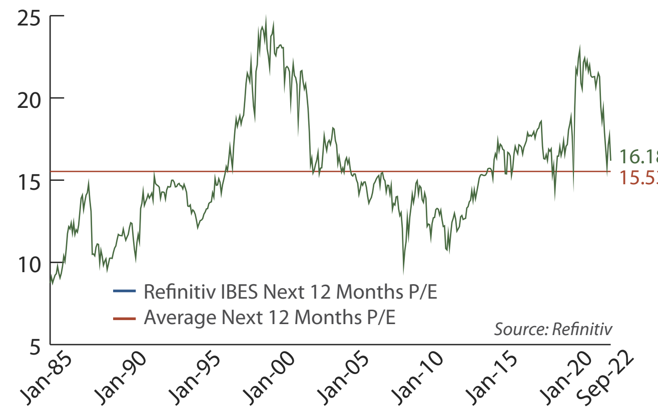
Valuation

Valuations ballooned as central banks drove interest rates to zero. Naturally, with central banks pivoting from a race to the bottom to a summit quest, valuations have come back to earth. Still, valuations entail two data points: the price you pay and the earnings you expect. While prices have plummeted, analyst earnings expectations remain overly buoyant. Given concerns of looming recession and a strengthening dollar that diminishes overseas earnings for US companies, it's reasonable to expect further declines in near-term earnings estimates. While valuations are no longer eye-watering, they don't provide a tailwind either.

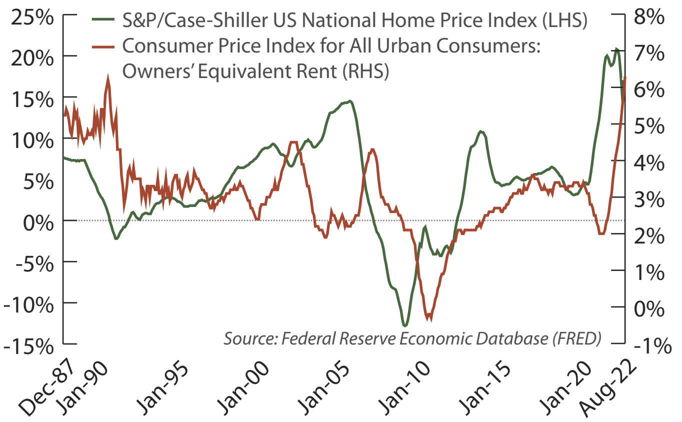
Inflation and Interest Rates

Speaking of recession, what of the economic outlook? The Federal Reserve's stance on "transitory" inflation damaged credibility. Chairman Jerome Powell has studied Fed history, including the on-again/off-again policy of the Burns/Miller tenure during the 1970s, which ultimately required crushing rate hikes by Paul Volker to bring inflation under control. Many forget that even Volker, with his inflation-fighting bona fides, initially erred in easing prematurely. Despite the blunt tool of rate hikes and lagging statistical effects from housing, the Fed has little choice but to increase rates until irrefutable evidence emerges that inflation has been brought under control and expectations are, again, anchored. Given continuing strength in employment, we refrain from predicting gross domestic product (GDP) trends, serving to illustrate the uncertainty that remains.

Forward Price / Earnings



Home Prices vs. Rent: Year-Over-Year Change



Performance data quoted herein represents past performance and does not guarantee future results.

A New Risk – The Dollar

Whether the dollar's strength is the risk or the manifestation of the myriad global risks at play, we'd be remiss to ignore the warning signs presented by a surging greenback. A strong dollar compounds local stresses (such as ballooning government deficits in the UK) and fuels a troubling feedback loop. Investor flight to safety drives strong dollar demand, all while borrowers – who have been pushed to issue dollar-denominated debt because of the currency's citadel status – are forced to buy dollars at any price. The rapid ascent of interest rates has made refinancing a nasty proposition. These factors, and likely others, have driven the US dollar to levels not seen since the Asian Tiger Crises/Dotcom Bubble and the Volcker interest rate increases of the early 1980s, two volatile periods for investing.

Conclusion

With the year-to-date declines in global stock and bond markets, past developments including European war and rising rates have been discounted. We cannot claim, however, that markets have sufficiently discounted the potential future risks described above. Neither can we say with certainty that any of these risks will come to pass. Who can predict Putin, the Fed, or Xi Jinping? Given past evidence we can predict that those attempting to time their exit and entry into markets around such events will likely destroy value rather than enhance it. We may also reasonably observe that companies featuring modest valuations, strong cash generation, and minimal debt may endure potential future market disruption better than their less favorably-positioned peers.

Saturna Sustainable Equity Fund

As of September 30, 2022

10 Largest Contributors	Return	Contribution
PayPal	23.24%	0.22
Lowe's	8.12%	0.16
TJX Companies	11.75%	0.16
Starbucks	10.92%	0.12
Wolters Kluwer	1.79%	0.04
Home Depot	1.27%	0.03
NXP Semiconductors	0.18%	0.00
Apple	1.22%	-0.01
Unicharm ADS	-1.36%	-0.02
STMicroelectronics	-1.52%	-0.02

10 Largest Detractors	Return	Contribution
Adidas ADS	-35.20%	-0.70
GlaxoSmithKline ADS	-31.54%	-0.62
Koninklijke Philips	-28.52%	-0.47
Adobe	-24.82%	-0.47
OpenText	-23.71%	-0.40
Sony ADS	-21.67%	-0.37
Pfizer	-15.88%	-0.33
Novozymes ADR	-16.63%	-0.33
Reckitt Benckiser Group ADR	-11.82%	-0.32
Johnson Matthey	-12.53%	-0.32

Top 10 Holdings	Portfolio Weight
Nintendo ADR	3.34%
Apple	3.20%
Novo Nordisk ADS	2.94%
Wolters Kluwer	2.82%
Tractor Supply	2.69%
CGI Group Class A	2.62%
Lowe's	2.61%
Reckitt Benckiser Group ADR	2.57%
Johnson Matthey	2.46%
Home Depot	2.40%

The Federal Reserve's initial 75 basis point hike in June 2022 sparked a counterintuitive stock market rally that persisted through mid-August, until Federal Reserve Chair Jerome Powell gave a speech in Wyoming disabusing investors of any notion the Fed would call an early truce in its war against inflation. As a result, by the end of the third quarter, the S&P 500 Index had sunk below its mid-June lows. The Sustainable Equity Fund returned -8.27% for the third quarter while the S&P Global 1200 Index declined -6.80%. Year-to-date the Fund shed -29.60%, lagging the -24.79% return of the Index.

From the perspective of a global investor, the onslaught of rate hikes implemented by central banks around the world in response to the Fed's aggressive tightening is concerning. The Fed's actions, combined with the typical "flight to safety" that sends global investors to the US during times of stress, has driven the dollar sharply higher against most other currencies. While imports account for a small portion of total consumption in the US, other countries can see their inflation numbers rising in response to higher import prices driven by US dollar strength. Imagine you live within the eurozone. Not only must you absorb the rising oil price – priced globally in dollars – you are also buying it with euros that have declined in value by roughly 16% this year relative to the dollar. Of course, the unconscionable Russian invasion of Ukraine has exacerbated the problem by dramatically raising the costs of all forms of energy. As central banks around the world struggle to protect their countries from such effects, the risk of excessive tightening leading to market disruption cannot be ignored.

Given the conditions described above, we should not be surprised to see US companies leading the list of top performers. PayPal has had a difficult year but finally appears close to setting a base with valuation, and we believe the case for electronic payments remains as strong as ever. Lowe's has demonstrated admirable execution since the arrival of CEO Marvin Ellison in 2018 and operating margins have expanded significantly. Higher interest rates will certainly affect the home sales market, but renovation and DIY projects may provide a cushion as homeowners are forced to stay put. Apparel retailer TJX has long demonstrated industry leading competence in inventory management. An environment in which multiple retailers find themselves overstocked plays perfectly into TJX's buyer wheelhouse and the "treasure hunt" mentality of its customers. Starbucks reacted well to the replacement of its CEO, Howard Schultz, with the former CEO of Reckitt Benckiser. The remaining stocks were little changed during the quarter.

Adidas has been suffering from execution issues; the early departure of its CEO indicates he did not have a solution. GlaxoSmithKline suffered during the quarter from a spate of lawsuits seeking damages by people claiming that the heartburn medication Nexium caused their cancer. We are not qualified to take a position on the validity of the claims; however, we will note that stocks often react poorly in the initial stages of such developments but recover with time. Philips has demonstrated incompetence in the management

Continued on page 9

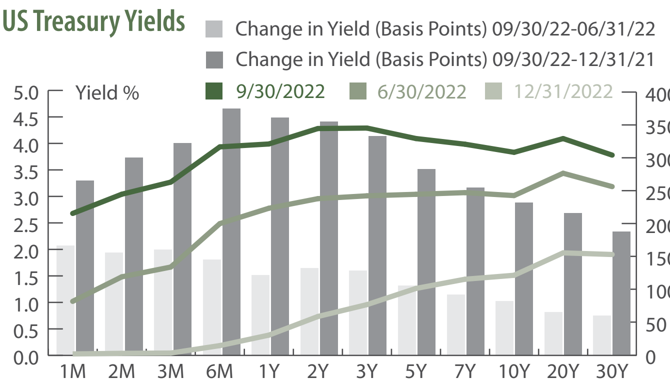
Saturna Sustainable Bond Fund

For the third quarter of 2022, Saturna Sustainable Bond Fund returned -2.86%, outperforming the FTSE WorldBIG Index, which returned -7.17%.

With pervasive high inflation, energy supply constraints, and ever-increasing debts and deficits among world economies, fiscal threats appear to have worsened over the quarter. The Federal Reserve raised rates by 75 basis points (bps) at the end of September, their third increase of that size in 2022. Rates are now targeted between 3% and 3.25%, but many expect rates to rise between 4% and 4.5% by the end of the year.[1] The Treasury market was hit with a surge in volatility at the end of September, with the MOVE Index (which measures volatility) rising to its highest level since the onset of the pandemic in March of 2020. Bond market investors have faced multiple events this past quarter that would drive such volatility. Japan, the world's third-largest economy, had to step in to defend the yen, which rapidly tumbled to a 24-year low against the US dollar. Just days later, plans for substantial tax cuts in the United Kingdom spurred a massive sell-off in the pound and sovereign debt markets.[2]

The higher rates, increased volatility, and reversal of central bank accommodative measures mean tighter financial conditions, introducing headwinds not seen in years. It's likely that investment assets will continue to experience volatility. The yield curve at the end of the quarter continued to show the pressures on the market, shifting upward since last quarter, especially in the short end. Six-month yields rose 160 bps in the past three months.

US Treasury Yields



As of September 30, 2022

Top 10 Holdings	Portfolio Weight
New York City NY Hsg Dev Corp	5.21%
International BK Recon & Develop	5.10%
Utah Water Finance Agency Revenue	4.86%
US Treasury N/B	3.85%
Sheridan Co Redev Agy Incr Revenue	3.82%
Canadian Imperial Bank	3.82%
Koninklijke Philips NV	3.53%
Santa Cruz CA Redev Agy MF Rev	3.47%
International Finance Corp	3.14%
MAF Sukuk	2.64%

Credit ratings are the lesser of S&P Global Ratings or Moody's Investors Service. If neither S&P nor Moody's rate a particular security, that security is categorized as not rated (except for US Treasury securities and securities issued or backed by US agencies which inherit the credit rating for the US government). Ratings range from AAA (highest) to D (lowest). Bonds rated BBB or above are considered investment grade. Credit ratings BB and below are lower-rated securities (junk bonds). Ratings apply to the creditworthiness of the issuers of the underlying securities and not the Fund or its shares. Ratings may be subject to change.

Defensive Positioning

The Sustainable Bond Fund maintained a defensive position during the third quarter while simultaneously reducing cash. The Fund ended the quarter with 7.52% in cash, down from 16.39% at the end of the second quarter, mainly due to purchasing select Treasury securities and variable rate demand notes (VRDNs).

As of quarter-end, VRDNs represented 21.70% of the Sustainable Bond Fund. Municipal VRDNs always trade at 100 and they have built-in daily or weekly put features. This helps stabilize the Fund's net asset value (NAV), provides excellent liquidity, and is more in-line with the Fund's sustainable objective versus a pure cash position. The New York City housing bonds, for example, are municipal VRDNs. The bonds are labeled with a sustainable objective, and part of the proceeds go toward building affordable housing for low-income and ultra-low-income city residents. The price stability and floating coupon contributed to the Fund's overall outperformance. One of the top performers during the quarter was the Sheridan Colorado Redevelopment Agency bond of 2029.

The Sustainable Bond Fund ended the quarter with an effective duration of 3.47 years, significantly shorter than that of the Index, which reported an effective duration of 6.84

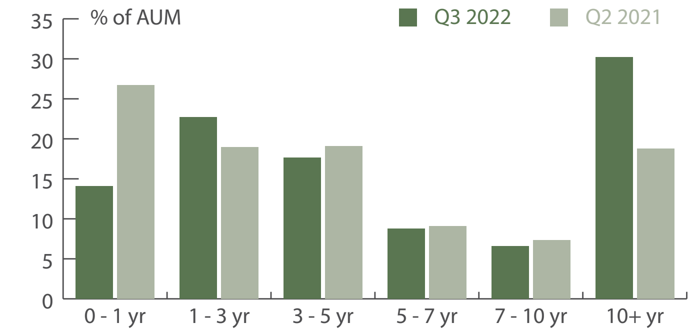
Continued on page 8

Saturna Sustainable Bond

Continued from page 7

years. The Fund's maturity profile was slightly lengthened during the third quarter with the select purchase of some longer Treasurys. Volatility and price corrections in longer securities continued from the first half of the year. The two lowest performing securities in the portfolio were long-dated bonds: a Treasury bond maturing in 2052 and an Indonesian sovereign sukuk maturing in 2051. Both bonds also have lower coupons, which contributes to a longer duration and thus more price volatility.

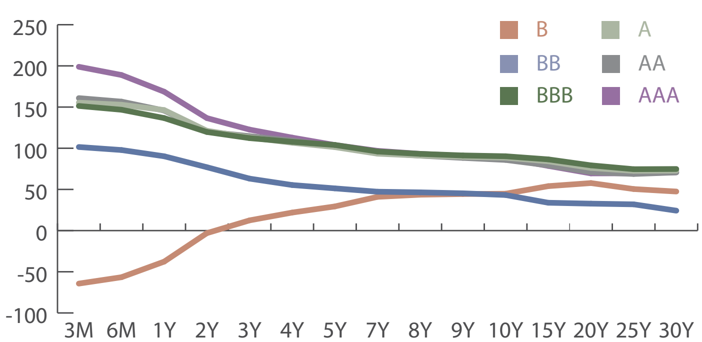
Portfolio Maturity Breakdown



Credit Ratings

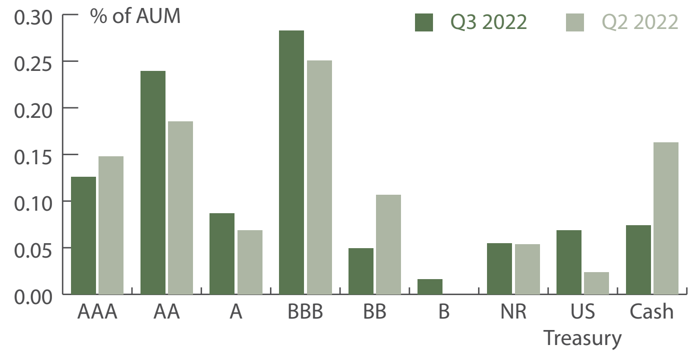
Corporate credit yields continued to increase across the curve, following the pattern of previous quarters with increased volatility and risk in the market. Most notably, corporate credit yields increased inside of four years more than 100 bps for investment-grade bonds. The longer end of the curve mirrored the Treasury shifts in that while there were increasing spreads, it showed more stability than shorter maturities.

Change in Corporate Yield Curve 6/30/22 - 9/30/22



The Sustainable Bond Fund deployed cash mainly for US Treasurys and "AA" rated securities. Choosing strong credits with improving stories is part of our extensive due diligence process. Despite high-yield securities performing poorly overall relative to higher-grade securities this quarter, there are exceptions for bonds that trended in a stronger direction. One of the top performing bonds was the "BB" rated 2026 Coty bond, which was upgraded this year by several rating agencies due to strong financial performance. The third quarter return for the bond was 1.14% versus -0.71% for the Bloomberg Barclays US Corporate High Yield Bond Index, which measures the performance of bonds rated "BB" and below.

Credit Ratings Distribution



Green and Sustainable Bonds

At quarter-end the portfolio had 16.16% in green bonds, 9.62% in sustainable and social bonds, and 1.89% in sustainably linked bonds. Green bonds are primarily used to support specific climate-related or environmental projects, while sustainable bonds generally can have a wider purpose including social impact. Sustainably linked holdings are issues where the failure to meet a carbon target will result in increased payments to the bondholder.

Currency

At the end of the quarter, the portfolio had a total exposure to foreign currency of 17.48%, down from 18.84% in the second quarter. We view the US dollar as continuing to be strong relative to other currencies in the near future and adjusted the portfolio to a more conservative positioning. The portfolio sold all positions in the euro, Australian dollar, and the British pound during the past six months. The Mexican peso had one of the best performances of the quarter, depreciating only -0.16% relative to the dollar. The top performing security was the "AAA" rated supranational green bond from the International Bank of Reconstruction and Development. The bond matures in 2026 and is denominated in pesos. The shorter maturity, high credit rating, currency, and 4.25% coupon aided the performance.

Continued on page 9

Performance Summary

As of September 30, 2022

Average Annual Total Returns *(Before Taxes)*	YTD	1 Year	3 Year	5 Year	Since Inception[B]	Expense Ratio[A] Gross	Expense Ratio[A] Net
Sustainable Equity Fund (SEEFX)	-29.60%	-25.10%	1.84%	4.87%	4.63%	0.85%	0.75%
S&P Global 1200 Index	-24.79%	-18.73%	4.79%	5.62%	6.68%	n/a	
S&P 500 Index	-23.87%	-15.47%	8.15%	9.23%	9.70%	n/a	
Sustainable Bond Fund (SEBFX)	-10.45%	-11.46%	-1.92%	-0.62%	0.39%	0.86%	0.65%
FTSE WorldBIG Index	-20.48%	-21.27%	-6.16%	-2.58%	-0.86%	n/a	
MSCI All Country World Index	-25.34%	-20.29%	4.23%	4.96%	6.09%	n/a	

[A] By regulation, expense ratios shown are as stated in a fund's most recent prospectus or summary prospectus, dated March 30, 2022 and incorporate results from the fiscal year ended November 30, 2021. Saturna Capital, the Funds' investment adviser, has voluntarily capped actual expenses of the Sustainable Equity Fund at 0.75% and actual expenses of the Sustainable Bond Fund at 0.65% through March 31, 2023.

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

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

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

Saturna Sustainable Equity

Continued from page 6

of its respirator recalls, and we are evaluating whether to continue our investment. Adobe announced a large acquisition during the quarter and reduced guidance, which combined to punish the stock. We believe the acquisition was expensive but necessary and will pay off. We have exited the OpenText position, largely due to governance concerns. The large decline in the value of the Japanese yen versus the US dollar accounted for much of Sony's weakness. Pfizer faces concerns over future growth following its COVID-19 vaccine bonanza, while interest in the latest Omicron vaccines has been muted. Although Novozymes raised its sales guidance, weak numbers for the interim period damaged confidence. Unsurprisingly, the reaction of Reckitt Benckiser shareholders to the CEO's departure was the opposite of Starbucks investors' reaction to his arrival. Johnson Matthey has been a tremendously volatile stock. Year-to-date, it has held up quite well, but the third quarter saw a sharp sell-off related to uncertainty on the outlook for its catalyst business given rising chances of a recession and a decline in automotive demand.

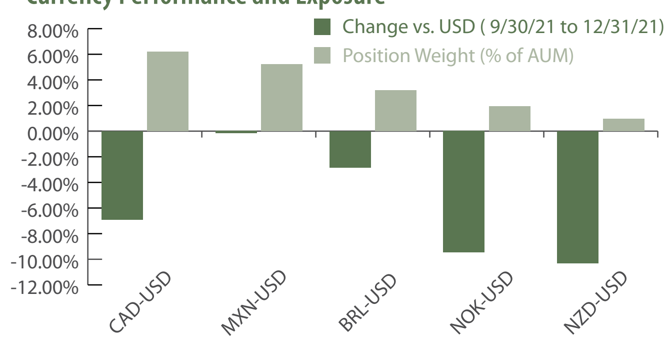
Good performance from home improvement stores Lowe's and Home Depot carried them both into the Top 10 Holdings, and GlaxoSmithKline and Assa Abloy exited.

Saturna Sustainable Bond

Continued from page 8

The Sustainable Bond Fund continues to underweight to the euro relative to the Index. The Fund held 0% while the Index maintained an allocation around 27%. This underweight contributed to the Fund's relative outperformance, given that the euro depreciated -6.51% relative to the US dollar.

Currency Performance and Exposure



Performance Summary

As of September 30, 2022

Morningstar Ratings ™ C	Overall	1 Year	3 Year	5 Year	Sustainability Rating™ D
Sustainable Equity Fund (SEEFX)	★★★★	n/a	★★★	★★★★	🌐🌐🌐🌐🌐
% Rank in Global Large-Stock Blend Category	n/a	86	73	26	*Percent Rank in Category: 4*
Number of Funds in Category	304	345	304	271	*Among 7,780 Global Equity Large Cap Funds*
Sustainable Bond Fund (SEBFX)	★★★★	n/a	★★★★	★★★★	🌐🌐🌐🌐
% Rank in Global Bond Category	n/a	14	9	16	*Percent Rank in Category: 16*
Number of Funds in Category	190	203	190	171	*Among 1,935 Global Fixed Income Funds*

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

[C] Morningstar Ratings™ ("Star Ratings") are as of September 30, 2022. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance (not including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

[D] Morningstar Sustainability Ratings are as of August 31, 2022. The Morningstar Sustainability Rating™ is intended to measure how well the issuing companies of the securities within a fund's portfolio are managing their environmental, social, and governance ("ESG") risks and opportunities relative to the fund's Morningstar category peers. The Morningstar Sustainability Rating calculation is a two-step process. First, each fund with at least 67% of assets covered by a company-level ESG score from Sustainalytics receives a Morningstar Portfolio Sustainability Score™. The Morningstar Portfolio Sustainability Score is an asset-weighted average of normalized company-level ESG scores with deductions made for controversial incidents by the issuing companies, such as environmental accidents, fraud, or discriminatory behavior. The Morningstar Sustainability Rating is then assigned to all scored funds within Morningstar Categories in which at least ten (10) funds receive a Portfolio Sustainability Score and is determined by each fund's rank within the following distribution: High (highest 10%), Above Average (next 22.5%), Average (next 35%), Below Average (next 22.5%), and Low (lowest 10%). The Morningstar Sustainability Rating is depicted by globe icons where High equals 5 globes and Low equals 1 globe. A Sustainability Rating is assigned to any fund that has more than half of its underlying assets rated by Sustainalytics and is within a Morningstar Category with at least 10 scored funds; therefore, the rating is not limited to funds with explicit sustainable or responsible investment mandates. Morningstar updates its Sustainability Ratings monthly. Portfolios receive a Morningstar Portfolio Sustainability Score and Sustainability Rating one month and six business days after their reported as-of date based on the most recent portfolio. As part of the evaluation process, Morningstar uses Sustainalytics' ESG scores from the same month as the portfolio as-of date.

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

The Saturna Sustainable Equity Fund was rated on 99% and the Saturna Sustainable Bond Fund was rated on 91% of Assets Under Management.

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

Performance data quoted herein represents past performance and does not guarantee future results.

About The Authors

Jane Carten MBA
President and **Saturna Sustainable Equity Fund** Portfolio Manager

Scott Klimo CFA®
Chief Investment Officer and **Saturna Sustainable Equity Fund** Deputy Portfolio Manager

Patrick Drum MBA, CFA®, CFP®
Senior Investment Analyst and **Saturna Sustainable Bond Fund** Portfolio Manager

Elizabeth Alm CFA®
Senior Investment Analyst and **Saturna Sustainable Bond Fund** Deputy Portfolio Manager

Footnotes to commentary

[1] *Timiraos, Nick. "Fed Raises Interest Rates by 0.75 Percentage Point for Third Straight Meeting." The Wall Street Journal, September 21, 2022. https://www.wsj.com/articles/fed-raises-interest-rates-by-0-75-percentage-point-for-third-straight-meeting-11663783397*

[2] *Kate Duguid, Adam Samson, and Colby Smith. "'Volatility vortex' slams into $24tn US government bond market." Financial Times, September 27, 2022. https://www.ft.com/content/ea41ce6d-e8b2-465e-8dff-8b7fa71dc7b4*

Important Disclaimers and Disclosure

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

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

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

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

A fund's ***30-Day Yield****, sometimes referred to as "standardized yield" or "SEC yield," is expressed as an annual percentage rate using a method of calculation adopted by the Securities and Exchange Commission (SEC). The 30-Day Yield provides an estimate of a fund's investment income rate, but may not equal the actual income distribution rate. Without the voluntary expense cap, the 30-Day Yield for Saturna Sustainable Bond Fund would have been 2.80% and the 30-Day Yield for Saturna Sustainable Equity Fund would have been 0.87%. Unsubsidized yield does not adjust for any fee waivers and/or expense reimbursements in effect.*

Effective maturity *and* ***modified duration*** *are measures of a fund's sensitivity to changes in interest rates and the markets. A fund's effective maturity is a dollar-weighted average length of time until principal payments must be paid. Longer maturities typically indicate greater sensitivity to interest rate changes than shorter maturities. Modified duration differs from effective maturity in that it accounts for interest payments in addition to the length of time until principal payments must be paid. Longer durations tend to indicate greater sensitivity to interest rate changes than shorter durations. Call options and other security-specific covenants may be used when calculating effective maturity and modified duration.*

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