Fund Commentary Q4 2021

SATURNA CAPITAL

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SUSTAINABLE FUNDS

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Whether it was inflation, supply chain disruptions, the removal of government stimulus, the prospect of central bank monetary policies — whatever spooked investors leading to the September sell-off evaporated at the start of October, and once again, markets rose. From the close on September 30 through a high on November 19, the S&P 500 returned a remarkable 9.27%. The spread of the Omicron variant stalled the momentum following Thanksgiving, but the market recovered, setting new highs before the Federal Reserve talked of 2022 rate hikes and reducing monthly bond purchases. Again, investors shrugged off doubt and pushed the S&P 500 to new highs in the final week of the year. Surprisingly, Technology stocks that were pummeled during the September sell-off on fears of higher inflation and interest rates were the stocks that rebounded the strongest in the fourth quarter.

Apart from the issues listed above, we can add the weather. Viewing global events illustrates how much inflationary pressure results from a changing climate rather than monetary and fiscal action. Last winter, freezing temperatures in Texas drove energy prices higher, reduced natural gas production, and led to closures of Gulf Coast chemical plants. Soft commodity prices rose this year, starting with drought in Brazil and Argentina that shriveled crops and hampered river shipments, which reduced exports. In North America, drought closed western hydropower plants, raising demand for natural gas and coal. Triple-digit temperatures in the Pacific Northwest drove air conditioning demand to record levels, further depleting natural gas stocks. According to the Department of Agriculture, more than 1.2 million acres planted with spring wheat weren't harvested and US production dropped 44%.[1] As forests burned at a historic rate, lumber prices rose. Drought in China, flooding in Germany, and freezes in Brazil affected production and distribution of several other soft and hard commodities.

Environment and Outlook

At year-end, market observers offer their expectations for the coming year. We have little insight into inflation and interest rates in 2022. The removal of fiscal and monetary stimulus implies tightening conditions. Regardless, we feel confident about growth, with one caveat. While Delta and Omicron variants have pushed COVID-19 infections in the US to record highs, the milder illness from Omicron, as well as its transmissibility, imply a short spike. Infections are soaring, but experience elsewhere indicates the surge could quickly fade. A first-quarter return to normal economic activity seems likely as workers forced to isolate come back, businesses reopen, and global supply chains get back on track.

As for the one caveat, we view China as the primary risk. The US government passed a law banning products sourced from Xinjiang Province (home of the Muslim Uighur minority) unless they are proven to have not been manufactured using forced labor.[2] The bill puts US companies in a difficult position, navigating the law while dealing with the Chinese government's response. It raises the risk of supply chain disruptions, given Xinjiang's importance as a source of commodities. The bigger risk is a disruption of Chinese economic activity due to Omicron. China has employed a zero-tolerance COVID strategy. Looking ahead, the spread of Omicron, travel during Chinese New Year, hosting the Winter Olympics, and weak protection from domestic vaccines all could mean that China may lock down wide swaths of its territory. That would affect global economic activity, inflation expectations, and the interest rate outlook in the short-term. Longer-term, we may see an acceleration in deglobalization, affecting investments, margins, and profitability.

Concerning the stock market, we avoid short-term predictions. But what of the next decade? A theme since the start of the pandemic has been the big getting bigger. Apple flirts with a $3 trillion market capitalization, trailed by Microsoft, as Alphabet and Amazon also appear among the top five largest companies. Where will they be in 2030?

10 Largest Global Companies by Market Capitalization *(as of 12/31/2021)*

Rank	Name	Market Cap	Price	Country
1	Apple	$2.95 T	$179.51	US
2	Microsoft	$2.56 T	$341.04	US
3	Alphabet (Google)	$1.94 T	$2,927	US
4	Saudi Aramco	$1.91 T	$9.54	Saudi Arabia
5	Amazon	$1.72 T	$3,400	US
6	Tesla	$1.09 T	$1089	US
7	Meta (Facebook)	$961.23 B	$345.55	US
8	NVIDIA	$749.66 B	$300.83	US
9	Berkshire Hathaway	$673.09 B	$453,770	US
10	TSMC	$626.89 B	$120.88	Taiwan

Source: CompaniesMarketCap.com

Only two companies remain from 2010's top 10 list: Apple and Microsoft. Going back to 2000, only Microsoft remains. Few companies maintain their position at the top for more than a decade or two. One that did was Exxon, which appeared decennially from 1980 through 2010. In 2019 it was ranked 10th, but as of writing has dropped to 39th place. Saudi Aramco has become the dominant listed energy producer, but fossil fuel demand can only go one way over the next decades. We expect that Microsoft will maintain its position as the dominant global provider of personal and business software, while growing its cloud business and potentially being a key provider of augmented and mixed hardware and software. We see network economies, current dominance, and the opportunity to extend into new areas providing a path forward for Alphabet. Amazon has failed to repeat its US strength overseas, setting it up to fade. While Meta (Facebook) features a dominant network, it has demonstrated a talent for misadventure and strikes us as a service people use grudgingly. Google+ and other social networks failed to dislodge it, but we don't see a durable Metaverse advantage. By 2030 every other car company in the world will be producing e-vehicles (EVs) and it's hard to imagine Tesla maintaining its position. Nvidia carved out a strong business, but we do not view its position as unassailable given evolving markets and capable competitors. It's reasonable to assume a change of leadership at Berkshire Hathaway by 2030. On one hand, semiconductors are foundational to the global economy and Taiwan Semiconductor dominates, but Taiwan's geopolitical vulnerabilities raise risks. While Apple may not be a network in the traditional sense, it does have over one billion active users dedicated to its products. Apple's unrivalled ability to integrate complex technology with a user-friendly customer experience positions the company to extend into media content, augmented reality, the connected home, and perhaps EVs, all while growing its profitable subscription revenue.

For any company that fades, another will take its place. Will the new giants be companies currently lurking at lower market capitalizations, or will they be companies that do not yet exist? Reviewing the list of the top 100 companies by market capitalization, few seem likely to advance. We ascribe a higher probability of new companies rising to the top, given the opportunities generated by the transition toward a carbon-free economy. Perhaps someone is tinkering with viable carbon capture. Battery technology could eliminate lithium and cobalt requirements. And what of fusion, which always stands a few years away? Success there, and all bets are off. Our task will be to identify these companies and hold them for the next couple of decades.

Saturna Sustainable Equity Fund

In the fourth quarter of 2021, the Saturna Sustainable Equity Fund returned 6.39%, achieving better performance on an absolute and relative basis than had been the case the previous nine months. The fourth quarter performance brought the full year return to 11.29%, trailing the 21.55% gain of the S&P Global 1200 Index. Performance during the year was restrained by the Fund's low exposure to the United States relative to the US share of global market capitalization.

Apart from geographic considerations, Fund returns were hindered by weak performance among several ESG impact stocks primarily focused on wind generation. On the positive side, Technology, pharmaceuticals, and retail performed well, driving overall Fund returns.

We invested in Apple with the launch of the Fund in 2015 and the company has been a top contributor ever since. Last year the introduction of the iPhone 13, solid performance among laptops, and continuing strength among subscription businesses all supported Apple's march toward a market capitalization of $3 trillion. With the ever-growing importance of Technology and adjustments to the pandemic environment, Accenture's consulting expertise has been in high demand. Retail was generally strong last year, especially in DIY as burgeoning home equity spurred people to improve their living conditions in a world embracing work from home. A handful of pharmaceutical companies performed well last year, especially those that demonstrated success in COVID-19 vaccine development or viral treatments, as was the case with Pfizer. Novo Nordisk maintained its position as one of the top two diabetes treatment companies in the world, while extending its franchise into weight control.

In 2020 wind generation companies provided excellent returns, a situation that reversed in 2021 for Vestas Wind Systems, Siemens Gamesa, and TPI Composites. We have exited the Siemens Gamesa and TPI Composites positions but remain invested in Vestas, believing alternative energy and wind power generation to be a multi-year theme. We have also exited Iberdrola. While the company was actively investing in renewables, it remains heavily exposed to fossil fuel electricity generation. We remain optimistic regarding the outlook for Philips, based on its medical equipment competencies; Nintendo, given its financial strength and growing gaming activity; PayPal, due to the expanding importance of electronic payments and PayPal's exposure to major verticals such Buy Now Pay Later and P2P transfers; and Disney, as COVID-19 transitions from pandemic to endemic and parks and theaters recover. We are reviewing Hartalega as the pandemic evolves. We are also reviewing AIA, given the extensive exposure to Hong Kong and China laboring under an increasingly assertive authoritarianism.

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As of December 31, 2021

10 Largest Contributors YTD	Return	Contribution
Apple	34.65%	1.18
Accenture, Class A	53.29%	1.02
Adobe	13.38%	1.00
Home Depot	54.90%	0.99
Novo Nordisk ADS	59.27%	0.96
Lowe's	55.70%	0.89
Atlassian, Class A	54.56%	0.88
Assa Abloy ADR	26.03%	0.87
Pfizer	71.42%	0.84
Wolters Kluwer	42.64%	0.80

10 Largest Detractors YTD	Return	Contribution
Vestas Wind Systems	-38.75%	-0.98
Siemens Gamesa Renewable Energy	-41.19%	-0.81
Koninklijke Philips	-33.86%	-0.76
TPI Composites	-44.26%	-0.73
Hartalega Holdings	-49.56%	-0.59
PayPal Holdings	-23.43%	-0.53
Nintendo ADR	-27.98%	-0.49
Iberdrola	-20.81%	-0.37
AIA Group	-21.80%	-0.30
Walt Disney	-12.51%	-0.24

Top 10 Holdings	Portfolio Weight
Legrand	2.75%
Apple	2.69%
Assa Abloy ADR	2.57%
Schneider Electric ADR	2.54%
Aviva ADR	2.52%
Accenture, Class A	2.51%
Nintendo ADR	2.50%
Adidas ADS	2.40%
Home Depot	2.36%
Lowe's	2.35%

Saturna Sustainable Bond Fund

For the fourth quarter ending December 31, 2021, the Saturna Sustainable Bond Fund returned -1.13%, relative to -0.99% for the FTSE WorldBIG Index. For the year, the Fund returned -1.88%, outperforming the Index by 354 basis points which posted a return of -5.42%.

2021 was a year of reclamation and began a process of repair toward normalization following the onset of the coronavirus pandemic more than 18 months ago. The pandemic has had an enormous adverse impact on human health and the world's economies. As of year-end 2021, there have been nearly 284 million coronavirus cases reported worldwide with more than 5.4 million related deaths.[1] The path back to normal has been uneven and disjointed as coronavirus variants have thwarted what many originally hoped would be quick recovery. To date, over 9.2 billion vaccination doses have been administered globally, and 58.3% of the world's population has received at least one dose of the vaccine. However, only 8.5% of the people in low-income countries have received at least one dose.[2] Given the disproportionate distribution of vaccinations worldwide, it's likely that more new variants will continue to hamper the path to recovery and normalization over the year.

Green and Sustainable Bonds

As of the quarter-end the Fund held 15.77% in green bonds, 3.85% in sustainable-labeled bonds, and 3.62% in sustainably-linked bonds. Green bonds are primarily used to support specific climate-related or environmental projects. Sustainable-labeled 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. During the fourth quarter the Fund was able to participate in the fourth issuance of Women's Livelihood Bonds from the Impact Investment Exchange (IIX) out of Singapore. These bonds are on the cutting edge of sustainable finance as proceeds go directly to either women-owned businesses or microfinance organizations that focus on lending to women in Cambodia, Indonesia, India, and the Philippines. The bonds are an ideal addition to the portfolio; we are able to further the Fund's sustainable mandate while also having a solid credit issue consisting of diversified payers with half of the outstanding principal backed by the US government. Some of the areas of impact include clean and affordable energy, agriculture lending, mobility lending, and skills development. In aggregate the loans are expected to impact up to 500,000 women and girls.

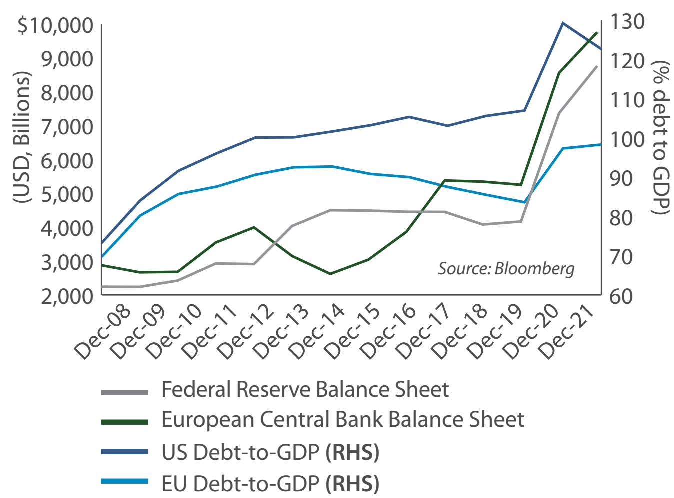
As of December 31, 2021

Top 10 Holdings	Portfolio Weight
Canadian Imperial Bank	4.25%
European Investment Bank	3.51%
Telfon Celular del Paraguay	3.34%
MAF Sukuk	3.18%
International BK Recon & Develop	3.16%
Tabreed Sukuk	3.03%
Bank of Nova Scotia	2.88%
Koninklijke KPN NV	2.74%
Odfjell SE	2.49%
Lincoln National Corp	2.39%

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.

Looking Forward

US and Eurozone Debt-to-GDP & Fed and ECB Balance Sheet



Since the onset of the pandemic, global central banks and their respective governments have engaged in extraordinary measures attempting to mitigate the adverse economic impact caused by the coronavirus. Over this period the United States Federal Reserve (Fed) and the European Central Bank (ECB) have grown their balance sheets as a means of providing support to the financial markets, ensuring market liquidity, and to help keep overall interest rates low. Both the Fed and the ECB have

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Saturna Sustainable Equity

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We view our Top 10 Holdings as well-placed for the uncertainties facing 2022, especially concerning inflation and interest rates. Technology exposure is modest, and we have positions to take advantage of continuing strength in Consumer Discretionary and a rebound in Industrial activity as economies recover and supply chains normalize.

Saturna Sustainable Bond

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seen their combined balance sheets grow to $18.5 trillion at year-end 2021, reflecting a 96.7% increase from year-end 2019 when it was $9.4 trillion. Over the same period, government debts have also surged in response to large government spending programs; as of December 31, 2021, the US had a debt-to-GDP ratio of 122.6% (versus 106.9% in 2019, pre-pandemic) and the EU had a debt-to-GDP ratio of 98.3% (up from 83.6% in 2019).

The central bank accommodative measures, aggressive fiscal policies, and ongoing supply distributions have sown inflationary pressures not seen in years—in some cases, decades. As of November 2021, the annualized inflation rate in the US rose to 6.8%, the highest point since 1982,[3] with the European Union rate rising to 4.9%,[4] the highest since 2008.[5]

During the fourth quarter, governments around the world began separately to reverse those accommodative measures to curb inflationary pressures. The Fed announced its intentions to reverse its balance sheet expansion and raise interest rates over the upcoming year.[6] The Bank of Canada announced similar measures to wind down its quantitative easing program[7] and on December 16, 2021, the Bank of England (BoE) raised their benchmark interest rates by 15 basis points to 0.25%. This marked the first rise in its benchmark rates in three years and the first upward policy rate change among G7 members.[8]

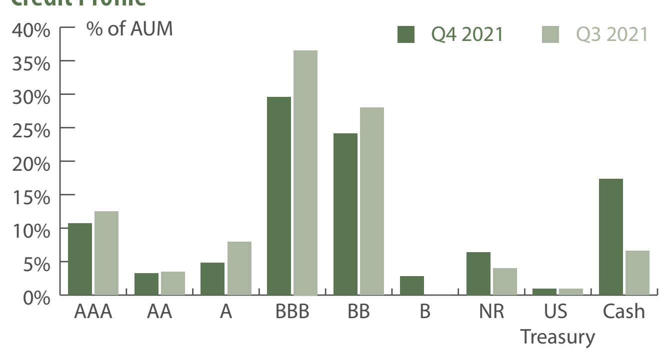
The reversal of these accommodative measures is causing a tightening of financial conditions and introducing headwinds not seen in years. It's likely that investment assets will experience volatility since interest rates have been rising in response to the various central bank announcements. The BoE's interest rate change mentioned above caused its one-year and five-year government bonds to rise 21-bps and 23-bps by year-end 2021, reflecting 72% and 39% increases, respectively. In the United States, one-year and five-year Treasurys rose during the second half of 2021 from 0.058% and 0.891% to 0.278% and 1.264%, representing a respective 379% and 42% increase! Market volatility and reduced liquidity were responsible for the worst performing security in the Fund, the Lincoln National floating rate bond of 2066, which saw a quarterly return of -6.48%.

Defensive Positioning

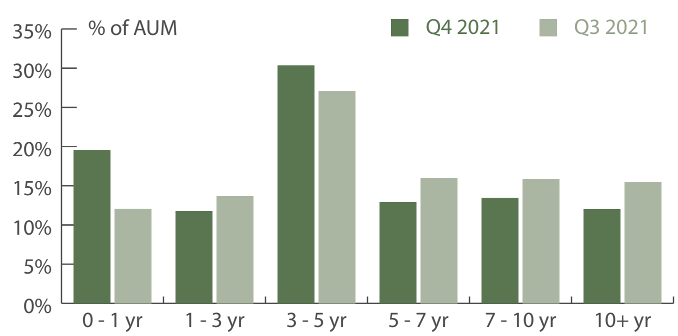
During the fourth quarter the Fund increased its cash position to 17.33%, reducing positions in "BBB" and "BB" rated bonds. The excess cash reflects our expectations of higher volatility, potentially rising yields, and better opportunities to enter the market as a result. Over 2021, high-yield bonds performed well, but yields remain compressed with less upside expected over the coming year. The three top performing holdings over the past quarter (2036 Stora Enso, 2030 KPN, and 2028 United Utilities) were all in the "BBB" category, with high coupons.

As of December 31, 2021, the Fund had an effective duration of 2.96 years, significantly shorter than the Index. During the quarter, maturities outside of five years were reduced while bonds in the three- to five-year bucket were added.

Credit Profile



Duration Profile



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Performance Summary

As of December 31, 2021

Average Annual Total Returns *(Before Taxes)*	**YTD**	**1 Year**	**3 Year**	**5 Year**	**Since Inception**[B]	**Expense Ratio**[A] *Gross*	*Net*
Sustainable Equity Fund (SEEFX)	11.29%	11.29%	21.93%	16.16%	10.75%	0.78%	0.75%
S&P Global 1200 Index	21.55%	21.55%	21.65%	14.11%	12.06%	n/a	
S&P 500 Index	28.71%	28.71%	26.04%	18.45%	15.38%	n/a	
Sustainable Bond Fund (SEBFX)	-1.88%	-1.88%	3.92%	2.85%	2.08%	0.85%	0.65%
FTSE WorldBIG Index	-5.42%	-5.42%	3.43%	3.24%	2.46%	n/a	
MSCI All Country World Index	19.04%	19.04%	20.95%	14.96%	11.49%	n/a	

[A] *By regulation, expense ratios shown are as stated in a Fund's most recent prospectus or summary prospectus, dated March 30, 2021 and incorporate results from the fiscal year ended November 30, 2020. 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, 2022.*

[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 Treasury Index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. When available, Saturna uses total return components of indices mentioned. Investors cannot invest directly in the indices.

Saturna Sustainable Bond

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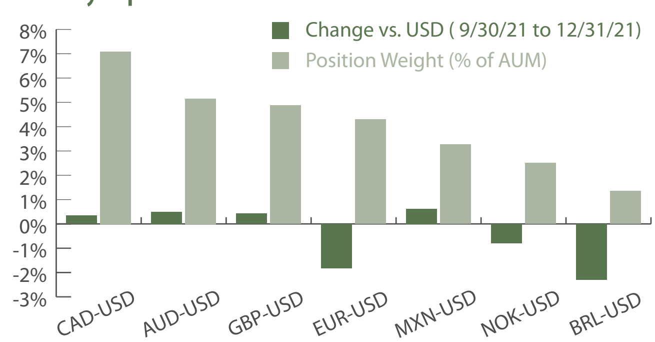
Currency

Currently the portfolio has a total exposure to foreign currency of 28.54%, a reduction from 36.12% last quarter. Specifically, the Fund has reduced positions in the Brazilian real and the euro.

The Brazilian real depreciated another -2.3% relative to the US dollar last quarter, showing more volatility. The euro also depreciated -1.8% relative to the dollar during the quarter. Two of the worst performing bonds in the portfolio were driven by these currency movements. The "AAA" rated, Brazilian real denominated 2023 IFC bond returned -3.9% and the euro denominated 2025 Telecom Italia bond returned -4.24%. The Fund ended the quarter with a 4.30% allocation to the euro, underweight the Index's allocation of 30.49%. This underweight was a major contributor to the Fund's relative outperformance.

Currency Exposures



Performance Summary

As of December 31, 2021

Morningstar Ratings™ C	Overall	1 Year	3 Year	5 Year	Sustainability Rating™ D
Sustainable Equity Fund (SEEFX)	★★★★★	n/a	★★★★★	★★★★★	🌐🌐🌐🌐🌐
% Rank in World Large-Stock Blend Category	n/a	93	14	11	*Percent Rank in Category: 3*
Number of Funds in Category	283	327	283	236	*Among 7,206 Global Equity Large Cap Funds*
Sustainable Bond Fund (SEBFX)	★★★	n/a	★★★★	★★★	🌐🌐🌐🌐🌐
% Rank in World Bond Category	n/a	31	42	54	*Percent Rank in Category: 9*
Number of Funds in Category	190	203	190	164	*Among 1,746 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 December 31, 2021. 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 November 30, 2021. 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 100% and the Saturna Sustainable Bond Fund was rated on 87% 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.

About The Authors

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

Jane Carten, President and Director, joined Saturna Capital in June 1997. Ms. Carten graduated from Western Washington University with an MBA and undergraduate degrees in Computer Science and Business. As President, Ms. Carten oversees Saturna's daily operations and directs Saturna's internal and external information systems, managing the technology and marketing activities. She also directs Saturna's continuing education program and the philanthropic efforts of the firm. Ms. Carten is active in the Bellingham Bay Rotary and is a member of the Young Presidents' Organization; she is a former member of the Whatcom Museum Children's Advisory Board. She is a founder and former director of the nonprofit OpenAccess Internet Services and is a Bellingham Sister Cities member and contributor.

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

Scott Klimo CFA, 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.

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

Patrick T. Drum, Research Analyst and Portfolio Manager, joined Saturna Capital in October 2014. He is a former select member of the United Nations Principles for Responsible Investment (UNPRI) Fixed Income Outreach Subcommittee and a former adjunct professor of finance at Pinchot University, formerly known as Bainbridge Graduate Institute (BGI). Mr. Drum has over 10 years of experience integrating ESG considerations into fixed-income portfolio management. He holds a BA in economics from Western Washington University and an MBA from Seattle University Albers School of Business. He is a Chartered Financial Analyst Charterholder® (CFA) and a Certified Financial Planner®. Mr. Drum has more than 20 years of investment experience in serving institutions and private clients.

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

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

Footnotes to commentary

[1] *Bloomberg, COVID-19 Map. Function: CVID, as of December 31, 2021.*
[2] *Mathieu, E., Ritchie, H., Ortiz-Ospina, E. et al. A global database of COVID-19 vaccinations. Nat Hum Behav (2021) https://ourworldindata.org/covid-vaccinations*
[3] *Aratani, Lauren. US inflation rate rose to 6.8% in 2021, its highest since 1982. The Guardian, December 10, 2021. https://www.theguardian.com/business/2021/dec/10/us-inflation-rate-rise-2021-highest-increase-since-1982*
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