



Sustainable Equity Fund  
SEEFX



Sustainable Bond Fund  
SEBFX

Annual Report

November 30, 2023

## Performance Summary

(unaudited)

### As of November 30, 2023

Average Annual Returns (before any taxes paid by shareowners)	1 Year	3 Year	5 Year	10 year	15 Year	Expense Ratio <sup>1</sup>
<b>Sustainable Equity</b> (SEEFX)	10.18%	1.01%	8.71%	n/a	n/a	0.75%
<b>Sustainable Bond</b> (SEBFX)	3.55%	-2.19%	1.13%	n/a	n/a	0.65%

### As of December 31, 2023

Average Annual Returns (before any taxes paid by shareowners)	1 Year	3 Year	5 Year	10 year	15 Year	Expense Ratio <sup>1</sup>
<b>Sustainable Equity</b> (SEEFX)	18.81%	1.30%	11.11%	n/a	n/a	0.75%
<b>Sustainable Bond</b> (SEBFX)	6.94%	-1.36%	1.88%	n/a	n/a	0.65%

**Performance data quoted in this report represents past performance, is before any taxes payable by shareowners, and is no guarantee of future results.** Current performance may be higher or lower than that stated herein. Performance current to the most recent month-end is available by calling toll-free 1-800-728-8762 or visiting [www.saturnasustainable.com](http://www.saturnasustainable.com). Average annual total returns are historical and include change in share value as well as reinvestment of dividends and capital gains, if any. The 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. Funds that invest in foreign securities may involve greater risk, including political and economic uncertainties of foreign countries as well as the risk of currency fluctuations.

**A note about risk:** Please see the Notes to Financial Statements beginning on page 22 for a discussion of investment risks. For a more detailed discussion of the risks associated with each Fund, please see the Funds' prospectus or each Fund's summary prospectus.

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

<sup>1</sup> By regulation, expense ratios shown in these tables are as stated in the Funds' most recent Prospectus, dated March 31, 2023, and incorporate results for the fiscal year ended November 30, 2022. Ratios presented in this table differ from the expense ratios shown elsewhere in this report as they represent different periods. Also by regulation, the performance in this table represents the most recent quarter-end performance rather than performance through the Funds' most recent fiscal period. Saturna Capital, the Funds' adviser, has agreed to limit actual expenses of the Sustainable Equity Fund at 0.75% and actual expenses of the Sustainable Bond Fund at 0.65% through March 31, 2024.

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

## **Fellow Shareowners:**

*January 19, 2024*

Last year we noted the rarity of consecutive down years for major market indices and the unbroken post-World War II streak of positive returns in the year following midterm elections. While difficult to explain, the two curiosities provided some hope for a year in which many expected a recession following a series of aggressive Federal Reserve rate hikes. As readers well know, 2023 did not feature a recession. Indeed, third quarter gross domestic product (GDP) growth hit a stunning 4.9% with a bit above 2% expected for the full year. Meanwhile, the stock market kept its post-midterm election streak alive for the 20th consecutive time.

For the fiscal year ended November 30, 2023, the S&P Global 1200 Index rose 12.88% and the Dow Jones Moderate Portfolio Index gained 4.93%. Fixed income markets, in contrast to equities, were plagued by recalcitrant inflation and regular Fed hikes throughout the year, with the FTSE USBIG Index rising 1.14% and the Bloomberg US Aggregate Index gaining 1.18%. The shorter duration Bloomberg US Aggregate 1-3 Year Index returned 3.61%.

While equity returns were impressive, we would be remiss in not pointing out the tremendous concentration of performance in a handful of stocks that came to be known as “The Magnificent Seven.” With apologies to filmmaker Akira Kurosawa, Apple, Microsoft, Alphabet, Amazon, Tesla, Facebook, and Nvidia drove most of the market returns during the year with artificial intelligence (AI) being a key driver. We do not dispute the potentially transformative effect of generative AI on productivity, but do see a degree of exuberance that may not continue.

In an environment of favorable equity returns, led by a concentration of large Technology giants and languishing fixed income markets, the Sustainable Funds delivered admirably. The Saturna Sustainable Equity Fund rose 10.18% for the fiscal year, versus the Morningstar Global Large-Stock Blend category which rose 9.07%. The Saturna Sustainable Bond Fund returned 3.55% for the fiscal year ended November 30, 2023, versus Morningstar Global Bond, which rose 2.82% for the same period.

The Sustainable Bond Fund’s outperformance relative to the benchmark can be attributed, in part, to its non-US dollar-denominated exposures, particularly to those in Latin and South America. For the trailing 12-month period ended November 30, 2023, the Colombian peso appreciated 19.79% relative to the US dollar, followed by the Mexican peso appreciating 10.84% and the Brazilian real appreciating 5.51%.

## **Going Forward**

Unlike the Midterm Effect, we have no similar track record of performance – positive or negative – during presidential election years. We are encouraged by the resilience of the US economy in the face of significantly higher interest rates. At the same time, company earnings seem to have bottomed and analysts anticipate better growth in the coming year. The appearance of attractive savings rates brought billions of dollars into money market funds; money that could easily be redeployed to the stock market if inflation were to hit the 2% mark and the Fed gain comfort in easing rates. Perhaps we are being premature, and the effects of higher rates have yet to be felt. However, inflation has moderated, Christmas spending was positive (if not ebullient), and one of the rarest of all creatures, the soft landing, appears to be within sight.

Thank you for investing with us. Please read this report and let us know how we can be of assistance to you in your quest for responsible investment choices.

Respectfully,



**Jane Carten MBA,**  
President





**Dr. Gary Goldfogel,**  
Independent Board Chairman



## Morningstar Rating (as of December 31, 2023)

(unaudited)

Morningstar™ Ratings <sup>A</sup>	1 Year	3 Year	5 Year	Overall	Sustainability Rating™ <sup>B</sup>
<b>Saturna Sustainable Equity Fund – “Global Large-Stock Blend” Category</b>					
<b>SEEFX</b>	n/a	★	★★★★	★★★	
% Rank in Category	54	93	44	93	4
Number of Funds in Category	359	339	300	339	8,155
<b>Saturna Sustainable Bond Fund – “Global Bond” Category</b>					
<b>SEBFX</b>	n/a	★★★★	★★★★	★★★★	
% Rank in Category	38	16	13	16	8
Number of Funds in Category	190	185	165	185	2,155

### The Morningstar Sustainability Rating and the Morningstar Portfolio Sustainability Score are not based on fund performance and are not equivalent to the Morningstar Rating (“Star Rating”).

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<sup>A</sup> **Morningstar Ratings™ (“Star Ratings”) are as of December 31, 2023.** 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.

<sup>B</sup> **Morningstar Sustainability Ratings are as of November 30, 2023.** 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 50% 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.

Saturna Sustainable Equity Fund was rated on 99% of assets under management. Saturna Sustainable Bond Fund was rated on 91% of assets under management.

% 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.

The Funds’ portfolios are actively managed and are subject to change, which may result in different Morningstar Sustainability Ratings over time.

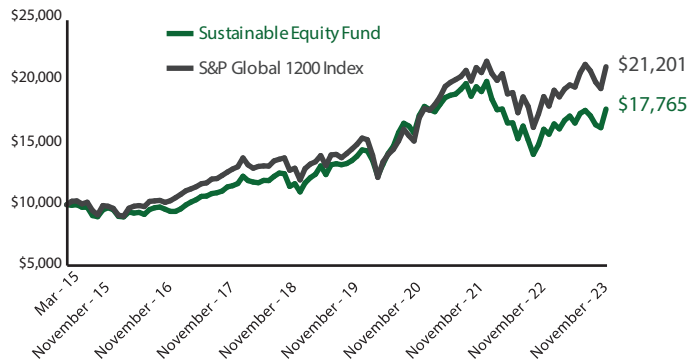
## Sustainable Equity Fund: Performance Summary

(unaudited)

### Average Annual Returns (as of November 30, 2023)

	1 Year	5 Year	10 Year	Expense Ratio <sup>1</sup>
Sustainable Equity <sup>2</sup>	10.18%	8.71%	n/a	0.93%
S&P Global 1200 Index	12.88%	10.34%	n/a	n/a

### Growth of \$10,000



Comparison of any mutual fund to a market index must be made bearing in mind that the index is unmanaged and expense-free. Conversely, the Fund will (1) be actively managed; (2) have an objective other than mirroring the index, such as limiting risk; (3) bear transaction and other operational costs; (4) stand ready to buy and sell its securities to shareowners on a daily basis; and (5) provide a wide range of services. The graph compares \$10,000 invested in the Fund on March 27, 2015, to an identical amount invested in the Standard & Poor's Global 1200 Index, a global stock market index covering nearly 70% of the world's equity markets. The graph shows that an investment the Fund would have risen to \$17,765 versus \$21,201 in the Index.

**Past performance does not guarantee future results.** The "Growth of \$10,000" graph and "Average Annual Returns" performance table assume the reinvestment of dividends and capital gains. They do not reflect the deduction of taxes that a shareowner might pay on fund distributions or the redemption of fund shares.

<sup>1</sup> By regulation, the expense ratio shown in this table is as stated in the Fund's most recent prospectus which is dated March 31, 2023, and incorporates results for the fiscal year ended November 30, 2022, before fee waivers. The expense ratio shown in the most recent prospectus after fee waivers was 0.75%. The ratio presented in this table differs from expense ratios shown elsewhere in this report as they represent different periods.

<sup>2</sup> Sustainable Equity of the Sustainable Equity Fund began operations March 27, 2015.

### Fund Objective

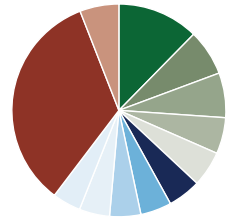
The objective of the Sustainable Equity Fund is capital appreciation.

### Top 10 Holdings

	% of Total Net Assets
Novo Nordisk ADR	4.9%
Wolters Kluwer	3.2%
Nintendo ADR	3.1%
Schneider Electric ADR	3.0%
Adobe	2.9%
CGI Group Class A	2.9%
Legrand	2.8%
Apple	2.7%
Assa Abloy ADR	2.7%
Microsoft	2.6%

### Portfolio Diversification

	% of Total Net Assets
Large Pharma	12.3%
Household Products	7.0%
Home Products Stores	6.8%
Commercial & Residential Building Equipment & Systems	5.5%
IT Services	5.4%
Electrical Power Equipment	5.0%
Consumer Electronics	4.7%
Infrastructure Software	4.7%
Application Software	4.6%
Specialty Chemicals	4.3%
Other industries < 4.3%	33.8%
Other Assets (net of liabilities)	5.9%



# Sustainable Equity Fund

## Discussion of Fund Performance

Unaudited

### Fiscal Year 2023

For the fiscal year ended November 30, 2023, the Saturna Sustainable Equity Fund rose 10.18%. The S&P Global 1200 Index rose 12.88% for the same time, while the Morningstar Global Large-Stock Blend category was up 7.96%.

### Factors Affecting Past Performance

The widely anticipated recession we predicted last year never materialized. Overall, this was beneficial to fund performance, although our cautious management did mean some powder was left dry throughout the year. In November, many central banks – including the US Federal Reserve, European Central Bank, and the Bank of England – paused interest rate rises, stemming from concerns investors fostered over the period.

Novo Nordisk was the top contributor to the Saturna Sustainable Equity Fund for the second consecutive fiscal year. Ozempic and Wegovy were big winners for the drug manufacturer, and the demand for weight loss drug therapy doesn't seem to be ebbing. The second largest contributor was Adobe. We believe that Adobe will hold its market leading position, especially considering the new technologies the company introduced recently, like the Firefly AI image generator. Microsoft was the third largest contributor to the portfolio this year, and we still like its prospects based on Azure, the large investment Microsoft made in OpenAI, and gaming options becoming available now that the long-awaited purchase of Activision is closed.

The biggest detractor to the Saturna Sustainable Equity Fund this year was Pfizer. As the pandemic wound down, Pfizer struggled with plummeting demand for vaccines and Paxlovid. We have since exited the position in favor of other pharmaceutical companies such as Eli Lilly. Chemical giant Johnson Matthey also proved disappointing this year, and we have sold the name from the portfolio. Finally, the third largest detractor was once again US-based PayPal, which we are keeping. We hold our conviction that there is plenty of room for the payments giant to grow.

### Looking Forward

Interest rates and inflation stabilized toward the end of 2023, allowing for general optimism regarding economic markets. We see geopolitical concerns and unrest as the greatest threats to equities in the coming year. We have increased our US position closer to the 40% maximum allowed by our prospectus as a defensive position against geopolitical instability. Regardless of country, we continue to purchase solid companies aligned with our values and investment fundamentals and sell those whose ethos or financials no longer adhere.

# Sustainable Equity Fund

## Schedule of Investments

As of November 30, 2023

Common Stock - 94.1%	Number of Shares	Cost	Market Value	Country <sup>1</sup>	Percentage of Net Assets
<b>Consumer Discretionary</b>					
<b>Home Products Stores</b>					
Home Depot	1,500	\$279,738	\$470,235	United States	2.2%
Lowe's	2,400	326,722	477,192	United States	2.2%
Tractor Supply	2,500	453,570	507,525	United States	2.4%
		1,060,030	1,454,952		6.8%
<b>Other Commercial Services</b>					
Ecolab	1,500	237,915	287,595	United States	1.4%
<b>Restaurants</b>					
Starbucks	3,213	237,202	319,051	United States	1.5%
<b>Specialty Apparel Stores</b>					
Lululemon Athletica <sup>2</sup>	750	233,377	335,100	United States	1.6%
TJX Companies	5,000	238,192	440,550	United States	2.0%
		471,569	775,650		3.6%
		<b>2,006,716</b>	<b>2,837,248</b>		<b>13.3%</b>
<b>Consumer Staples</b>					
<b>Household Products</b>					
Haleon ADR <sup>2</sup>	11,500	84,284	98,440	United Kingdom	0.4%
Kenvue	4,289	84,901	87,667	United States	0.4%
L'Oreal ADR	5,400	297,824	508,032	France	2.4%
Reckitt Benckiser Group ADR	16,700	280,226	227,454	United Kingdom	1.1%
Unicharm ADR	40,500	326,015	257,175	Japan	1.2%
Unilever ADR	6,600	340,612	314,820	United Kingdom	1.5%
		1,413,862	1,493,588		7.0%
<b>Packaged Food</b>					
Danone ADR	31,200	422,528	403,104	France	1.9%
		<b>1,836,390</b>	<b>1,896,692</b>		<b>8.9%</b>
<b>Energy</b>					
<b>Renewable Energy Equipment</b>					
Vestas Wind Systems	11,000	<b>199,477</b>	<b>304,847</b>	Denmark	<b>1.4%</b>
<b>Financials</b>					
<b>Consumer Finance</b>					
Mastercard, Class A	860	171,375	355,894	United States	1.7%
Paypal	2,900	674,351	167,069	United States	0.8%
		845,726	522,963		2.5%
<b>Life Insurance</b>					
Aviva ADR	45,600	416,983	489,288	United Kingdom	2.3%
<b>P&amp;C Insurance</b>					
Chubb	2,000	287,787	458,860	Switzerland	2.1%
		<b>1,550,496</b>	<b>1,471,111</b>		<b>6.9%</b>
<b>Health Care</b>					
<b>Biotech</b>					
BioNTech SE	800	125,058	80,328	Germany	0.4%
<b>Large Pharma</b>					
GlaxoSmithKline ADR	9,200	369,834	331,108	United Kingdom	1.5%
Johnson & Johnson	1,766	280,739	273,130	United States	1.3%
Novartis ADR	4,300	374,482	420,970	Switzerland	2.0%
Novo Nordisk ADR	10,200	324,489	1,038,768	Denmark	4.9%
Pfizer	8,000	290,709	243,760	United States	1.1%

Continued on next page.



# Sustainable Equity Fund

## Schedule of Investments

As of November 30, 2023

Common Stock - 94.1%	Number of Shares	Cost	Market Value	Country <sup>1</sup>	Percentage of Net Assets
<b>Health Care (continued)</b>					
<b>Large Pharma (continued)</b>					
Roche Holding ADR	9,000	\$406,003	\$303,210	Switzerland	1.4%
Sandoz Group AG-ADR <sup>2</sup>	860	20,210	24,549	Switzerland	0.1%
		2,066,466	2,635,495		12.3%
		<b>2,191,524</b>	<b>2,715,823</b>		<b>12.7%</b>
<b>Industrials</b>					
<b>Commercial &amp; Residential Building Equipment &amp; Systems</b>					
Assa Abloy ADR	44,500	515,234	568,265	Sweden	2.7%
Legrand	6,200	520,793	599,409	France	2.8%
		1,036,027	1,167,674		5.5%
<b>Electrical Components</b>					
TE Connectivity	3,200	356,052	419,200	Switzerland	2.0%
<b>Electrical Power Equipment</b>					
Schneider Electric ADR	17,100	424,554	628,938	France	2.9%
Siemens ADR	5,300	361,107	445,200	Germany	2.1%
		785,661	1,074,138		5.0%
<b>Industrial Distribution &amp; Rental</b>					
Ferguson	1,300	204,293	222,742	United States	1.0%
		<b>2,382,033</b>	<b>2,883,754</b>		<b>13.5%</b>
<b>Materials</b>					
<b>Agricultural Chemicals</b>					
Corteva	3,000	180,770	135,600	United States	0.6%
<b>Specialty Chemicals</b>					
DSM Koninklijke <sup>3</sup>	1,928	255,228	158,467	Netherlands	0.8%
Johnson Matthey	21,031	690,073	413,325	United Kingdom	1.9%
Novozymes ADR	6,550	329,752	339,945	Denmark	1.6%
		1,275,053	911,737		4.3%
		<b>1,455,823</b>	<b>1,047,337</b>		<b>4.9%</b>
<b>Technology</b>					
<b>Application Software</b>					
Adobe <sup>2</sup>	1,000	108,410	611,010	United States	2.9%
Dassault Systemes ADR	7,530	119,029	352,554	France	1.7%
		227,439	963,564		4.6%
<b>Communications Equipment</b>					
Apple	3,028	83,313	575,169	United States	2.7%
<b>Consumer Electronics</b>					
Nintendo ADR	56,625	633,296	658,549	Japan	3.1%
Sony ADR	4,000	261,557	343,800	Japan	1.6%
		894,853	1,002,349		4.7%
<b>Electronics Components</b>					
Murata Manufacturing	12,000	203,199	233,857	Japan	1.1%
<b>Information Services</b>					
Wolters Kluwer	5,000	371,604	690,356	Netherlands	3.2%
<b>Infrastructure Software</b>					
Microsoft	1,438	62,724	544,872	United States	2.6%
ServiceNow <sup>2</sup>	650	392,951	445,731	United States	2.1%
		455,675	990,603		4.7%
<b>IT Services</b>					
Accenture, Class A	1,600	275,166	533,024	Ireland	2.5%

Continued on next page.

# Sustainable Equity Fund

## Schedule of Investments

As of November 30, 2023

Common Stock - 94.1%	Number of Shares	Cost	Market Value	Country <sup>1</sup>	Percentage of Net Assets
<b>Technology (continued)</b>					
<b>IT Services (continued)</b>					
CGI Group Class A <sup>2</sup>	6,000	\$421,997	\$610,059	Canada	2.9%
		697,163	1,143,083		5.4%
<b>Semiconductor Devices</b>					
NVIDIA	500	235,000	233,850	United States	1.1%
NXP Semiconductors	1,800	179,525	367,344	Netherlands	1.7%
STMicroelectronics ADR	3,900	136,216	185,016	Switzerland	0.9%
		550,741	786,210		3.7%
<b>Semiconductor Manufacturing</b>					
Taiwan Semiconductor ADR	5,325	406,031	518,176	Taiwan	2.4%
		<b>3,890,018</b>	<b>6,903,367</b>		<b>32.5%</b>
Total investments		\$15,512,477	\$20,060,179		94.1%
Other assets (net of liabilities)			1,257,102		5.9%
<b>Total net assets</b>			<b>\$21,317,281</b>		<b>100.0%</b>

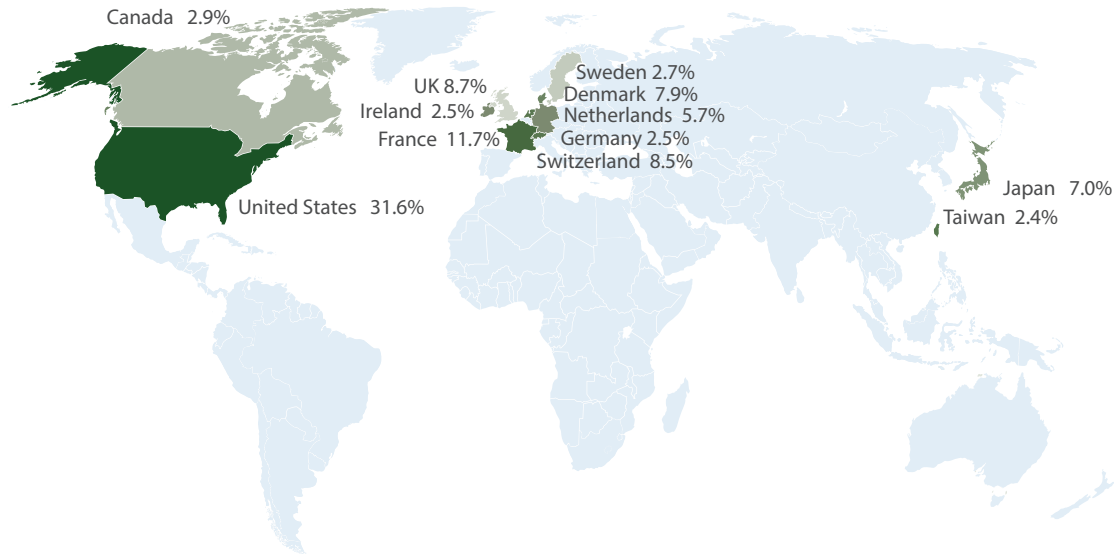
<sup>1</sup> Country of domicile unless otherwise indicated

<sup>2</sup> Non-income producing

<sup>3</sup> The Fund has adopted a policy of recording any transfers of investment securities between the different levels in the fair value hierarchy as of the end of the year.

ADR: American Depositary Receipt

### Countries (unaudited)



Other assets (net of liabilities) 5.9%

Weightings shown are a percentage of total net assets.

# Sustainable Equity Fund

## Statement of Assets and Liabilities

As of November 30, 2023

<b>Assets</b>	
Investments in securities, at value (Cost \$15,512,477)	\$20,060,179
Cash	1,235,004
Dividends receivable	48,316
Prepaid expenses	1,566
Receivable for Fund shares sold	660
Total assets	21,345,725
<b>Liabilities</b>	
Accrued audit expenses	12,499
Accrued advisory fees	9,615
Accrued retirement plan custody fee	2,239
Payable for Fund shares redeemed	1,978
Accrued trustee expenses	463
Accrued Chief Compliance Officer expenses	395
Accrued legal expenses	60
Accrued other operating expenses	1,195
Total liabilities	28,444
<b>Net assets</b>	<b>\$21,317,281</b>
<b>Analysis of net assets</b>	
Paid-in capital (unlimited shares authorized, without par value)	\$17,183,380
Total distributable earnings	4,133,901
<b>Net assets applicable to Fund shares outstanding</b>	<b>\$21,317,281</b>
<b>Fund shares outstanding</b>	<b>1,260,324</b>
<b>Net asset value, offering, and redemption price per share</b>	<b>\$16.91</b>

## Statement of Operations

Year ended November 30, 2023

<b>Investment income</b>	
Dividend Income (Net of foreign tax of \$42,666)	\$371,206
Total investment income	371,206
<b>Expenses</b>	
Investment advisory fees	130,596
Filing and registration fees	24,438
Audit fees	12,313
Trustee fees	6,883
Legal fees	5,696
Chief Compliance Officer expenses	5,084
Retirement plan custodial fees	2,806
Custodian fees	1,493
Other operating expenses	4,748
Total gross expenses	194,057
Less advisory fees waived	(41,877)
Less custodian fee credits	(1,493)
Net expenses	150,687
<b>Net investment income</b>	<b>\$220,519</b>
<b>Net realized loss from investments and foreign currency</b>	
	\$(449,805)
<b>Net Increase in unrealized appreciation on investments and foreign currency</b>	<b>2,164,681</b>
<b>Net gain on investments</b>	<b>1,714,876</b>
<b>Net increase in net assets resulting from operations</b>	<b>\$1,935,395</b>

# Sustainable Equity Fund

## Statements of Changes in Net Assets

	Year ended November 30, 2023	Year ended November 30, 2022
<b>Increase (Decrease) in net assets from operations</b>		
<b>From operations</b>		
Net investment income	\$220,519	\$178,066
Net realized gain (loss) on investments and foreign currency	(449,805)	147,255
Net increase (decrease) in unrealized appreciation on investments and foreign currency	2,164,681	(4,324,755)
Net increase (decrease) in net assets	1,935,395	(3,999,434)
<b>Distributions to shareowners from</b>		
Net dividend and distribution to shareholders	(177,042)	(164,336)
<b>Capital share transactions</b>		
Proceeds from the sale of shares	2,443,907	2,792,479
Value of shares issued in reinvestment of dividends and distributions	176,949	163,667
Cost of shares redeemed	(2,844,207)	(4,385,092)
Total capital shares transactions	(223,351)	(1,428,946)
<b>Total increase (decrease) in net assets</b>	<b>1,535,002</b>	<b>(5,592,716)</b>
<b>Net assets</b>		
Beginning of year	19,782,279	25,374,995
End of year	\$21,317,281	\$19,782,279
<b>Shares of the Fund sold and redeemed</b>		
<b>Sustainable Equity (SEEFX)</b>		
Number of shares sold	151,731	168,148
Number of shares issued in reinvestment of dividends and distributions	11,688	8,692
Number of shares redeemed	(180,213)	(267,640)
<b>Net decrease in number of shares outstanding</b>	<b>(16,794)</b>	<b>(90,800)</b>

## Sustainable Equity Fund: Financial Highlights

### Sustainable Equity (SEEFX)

Selected data per share of outstanding capital stock throughout each year:

	Year ended November 30,				
	2023	2022	2021	2020	2019
<b>Net asset value at beginning of year</b>	<b>\$15.49</b>	<b>\$18.55</b>	<b>\$16.72</b>	<b>\$13.58</b>	<b>\$11.51</b>
<b>Income from investment operations</b>					
Net investment income	0.17	0.14	0.13	0.10	0.09
Net gains (losses) on securities (both realized and unrealized)	1.39	(3.08)	1.76	3.11	2.08
<b>Total from investment operations</b>	<b>1.56</b>	<b>(2.94)</b>	<b>1.89</b>	<b>3.21</b>	<b>2.17</b>
<b>Less distributions</b>					
Dividends (from net investment income)	(0.14)	(0.12)	(0.06)	(0.07)	(0.10)
<b>Total distributions</b>	<b>(0.14)</b>	<b>(0.12)</b>	<b>(0.06)</b>	<b>(0.07)</b>	<b>(0.10)</b>
<b>Net asset value at end of year</b>	<b>\$16.91</b>	<b>\$15.49</b>	<b>\$18.55</b>	<b>\$16.72</b>	<b>\$13.58</b>
<b>Total Return</b>	10.18%	(15.96)%	11.32%	23.74%	19.04%
<b>Ratios / supplemental data</b>					
Net assets (\$000), end of year	\$21,317	\$19,782	\$25,375	\$16,834	\$8,185
Ratio of expenses to average net assets					
Before advisory fees waiver and custodian fee credits	0.97%	0.93%	0.85%	0.78%	1.81%
After advisory fees waiver	0.76%	0.76%	0.76%	0.75%	0.78%
After advisory fees waiver and custodian fee credits	0.75%	0.75%	0.75%	0.73%	0.75%
Ratio of net investment income after advisory fee waivers and custodian fee credits to average net assets	1.10%	0.84%	0.71%	0.61%	0.80%
<b>Portfolio turnover rate</b>	<b>3%</b>	<b>9%</b>	<b>8%</b>	<b>13%</b>	<b>13%</b>



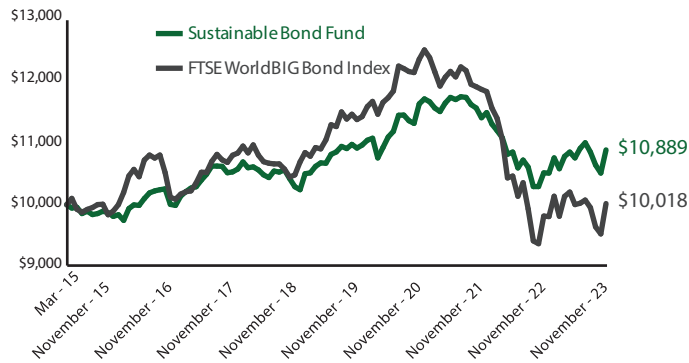
## Sustainable Bond Fund: Performance Summary

(unaudited)

### Average Annual Returns (as of November 30, 2023)

	1 Year	5 Year	10 Year	Expense Ratio <sup>1</sup>
Sustainable Bond <sup>2</sup>	3.55%	1.13%	n/a	0.74%
FTSE WorldBIG Bond Index	2.07%	-0.91%	n/a	n/a

### Growth of \$10,000



Comparison of any mutual fund to a market index must be made bearing in mind that the index is unmanaged and expense-free. Conversely, the Fund will (1) be actively managed; (2) have an objective other than mirroring the index, such as limiting risk; (3) bear transaction and other operational costs; (4) stand ready to buy and sell its securities to shareowners on a daily basis; and (5) provide a wide range of services. The graph compares \$10,000 invested in the Fund on March 27, 2015, to an identical amount invested in the FTSE WorldBIG Bond Index, a multi-asset, multi-currency benchmark, which provides a broad-based measure of the global fixed-income markets. The graph shows that an investment in the Fund would have risen to \$10,889 versus \$10,018 in the Index.

**Past performance does not guarantee future results.** The "Growth of \$10,000" graph and "Average Annual Returns" performance table assume the reinvestment of dividends and capital gains. They do not reflect the deduction of taxes that a shareowner might pay on fund distributions or the redemption of fund shares.

<sup>1</sup> By regulation, the expense ratio shown in this table is as stated in the Fund's most recent prospectus which is dated March 31, 2023, and incorporates results for the fiscal year ended November 30, 2022, before fee waivers. The expense ratio shown in the most recent prospectus after fee waivers was 0.65%. The ratio presented in this table differs from expense ratios shown elsewhere in this report as they represent different periods.

<sup>2</sup> Sustainable Bond of the Sustainable Bond Fund began operations March 27, 2015.

### Fund Objective

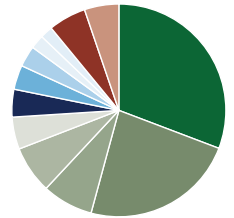
The objectives of the Sustainable Bond Fund are current income and capital preservation.

### Top 10 Holdings

	% of Total Net Assets
Asian Development Bank (6.000% due 02/5/2026)	4.9%
Canadian Imperial Bank (4.375% due 10/28/2080)	4.9%
Inter-American Devel BK (7.500% due 12/5/2024)	4.7%
United States Cash Management Bill (0.000% due 12/7/2023)	4.2%
MAF Global Securities (7.875% due PERP)	4.1%
Munich RE (1.000% due 05/26/2042)	3.9%
Int'l Bk Recon & Develop (5.000% due 10/7/2026)	3.6%
Nokia OYJ (2.375% due 05/15/2025)	3.6%
Koninklijke Philips (7.125% due 05/15/2025)	3.4%
First Abu Dhabi Bank PJSC (5.125% due 10/13/2027)	3.4%

### Portfolio Diversification

	% of Total Net Assets
Financials	30.8%
Government Bonds	23.4%
Technology	7.7%
Consumer Staples	7.2%
Health Care	4.9%
United States Cash Management Bills	4.2%
Utilities	3.7%
Consumer Discretionary	3.2%
United States Treasury Notes	2.1%
Industrials	1.9%
Other sectors < 1.9%	5.7%
Other Assets (net of liabilities)	5.2%



# Sustainable Bond Fund

## Discussion of Fund Performance

(unaudited)

### Fiscal Year 2023

For the fiscal year ended November 30, 2023, the Saturna Sustainable Bond Fund produced a total return of 3.55%, ahead of the FTSE WorldBIG Index, which returned 2.07%. For the five-year period ended November 30, 2023, the Fund had an annualized total return of 1.13%, while the Index returned -0.91%. The Fund had an effective duration (price sensitivity to changes in interest rates) of 3.19 years, shorter than the effective duration of the Index at 6.63 years. The reason the Fund outperformed the Index was primarily due to the Fund's shorter duration.

### Factors Affecting Past Performance

The close of fiscal 2023 demonstrated market volatility caused by pervasive high inflation, 11 rate hikes from the Federal Reserve since March of 2022, and ever-increasing debts and deficits among world economies. The Treasury curve shifted up over the year, especially in the long end and short end. From November 30, 2022, to November 30, 2023, the 30-year Treasury shifted up 75 basis points (bps) to a 4.49% yield, and the two-month Treasury shifted up 130 bps to 5.39%. Long bonds with more sensitivity to interest rate movements generally saw lower returns, with the highest returns seen in bonds with maturities between one and three years.

The Saturna Sustainable Bond Fund was positioned very defensively going into fiscal 2023 due to expected volatility. The Fund maintained a short duration relative to the FTSE WorldBIG Index, and an underweight to bonds with maturities outside of 10 years. The Fund had 9.84% of the portfolio in bonds longer than 10 years, while the Index had over 21% exposure to such bonds. Additionally, the Fund maintained an allocation of over 46% of the portfolio to bonds with maturities between one and three years, and the Index only allocated 23% of its holdings to such bonds. Those maturities drove Fund performance for the fiscal year.

At fiscal year-end, the Sustainable Bond Fund held 41.31% of its portfolio in foreign currencies. Compared to the benchmark, the Fund had an overweight to Mexican peso-denominated bonds, with a 7.69% exposure. This enabled the Fund to benefit from the peso's nearly 11% appreciation relative to the US dollar.

### Looking Forward

In 2024, there may be continued volatility in yields and the Treasury curve, driven by Fed policy changes or unexpected high inflation. We defensively positioned the portfolio to withstand anticipated yield curve changes, currency movements, and inflationary pressures. Our goal has always been to choose good companies and invest through cycles.

# Sustainable Bond Fund

## Schedule of Investments

As of November 30, 2023

Corporate Bonds - 62.9%	Coupon / Maturity	Face Amount	Market Value	Country <sup>1</sup>	Percentage of Net Assets
<b>Communications</b>					
Telecom Italia <sup>2</sup>	5.303% due 05/30/2024	\$500,000	<b>\$496,023</b>	Italy	<b>1.7%</b>
<b>Consumer Discretionary</b>					
Starbucks	2.450% due 06/15/2026	1,000,000	<b>938,545</b>	United States	<b>3.2%</b>
<b>Consumer Staples</b>					
Coty <sup>3</sup>	4.750% due 04/15/2026	EUR 750,000	808,207	United States	2.7%
Coty <sup>2</sup>	5.000% due 04/15/2026	131,000	127,906	United States	0.4%
MAF Global Securities <sup>3,4,5</sup>	7.875% due PERP	1,200,000	1,191,240	United Arab Emirates	4.1%
			<b>2,127,353</b>		<b>7.2%</b>
<b>Financials</b>					
Aust & NZ Banking Group <sup>2</sup>	4.500% due 03/19/2024	500,000	497,458	Australia	1.7%
AXA <sup>3,6</sup>	5.125% due 01/17/2027	750,000	719,085	France	2.4%
Bank of Montreal	3.300% due 02/05/2024	500,000	497,731	Canada	1.7%
Canadian Imperial Bank <sup>7</sup>	4.375% due 10/28/2080	CAD 2,100,000	1,432,948	Canada	4.9%
Commonwealth Bank Australia (Quarterly BBSW plus 0.41%) <sup>8</sup>	4.731% due 12/23/2026	AUD 850,000	555,294	Australia	1.9%
Export-Import Bank Korea	5.125% due 01/11/2033	500,000	501,990	Korea	1.7%
First Abu Dhabi Bank PJSC <sup>3</sup>	5.125% due 10/13/2027	1,000,000	992,802	United Arab Emirates	3.4%
MAF Sukuk <sup>3</sup>	4.638% due 05/14/2029	800,000	756,085	United Arab Emirates	2.6%
Munich RE <sup>3,9</sup>	1.000% due 05/26/2042	EUR 1,400,000	1,148,354	Germany	3.9%
Prologis	1.250% due 10/15/2030	500,000	385,517	United States	1.3%
State Street (Quarterly US LIBOR plus 100) <sup>8</sup>	6.552% due 06/15/2047	250,000	202,417	United States	0.7%
Toronto-Dominion Bank <sup>3</sup>	1.128% due 12/09/2025	CAD 500,000	341,927	Canada	1.1%
Women's Livelihood Bond Asset II B <sup>2</sup>	3.950% due 12/10/2024	600,000	570,595	Singapore	1.9%
Women's Livelihood Bond Asset II C <sup>2</sup>	3.900% due 12/23/2025	500,000	462,114	Singapore	1.6%
			<b>9,064,317</b>		<b>30.8%</b>
<b>Health Care</b>					
Koninklijke Philips	7.125% due 05/15/2025	1,000,000	1,011,756	Netherlands	3.4%
Novartis Capital	3.000% due 11/20/2025	250,000	241,203	Switzerland	0.8%
Roche <sup>2</sup>	2.625% due 05/15/2026	200,000	189,731	Switzerland	0.7%
			<b>1,442,690</b>		<b>4.9%</b>
<b>Industrials</b>					
Odjfell SE (Quarterly NIBOR plus 5.75%) <sup>3,8</sup>	10.260% due 01/21/2025	NOK 6,000,000	<b>573,940</b>	Norway	<b>1.9%</b>
<b>Materials</b>					
Stora Enso OYJ <sup>3</sup>	7.250% due 04/15/2036	300,000	309,826	Finland	1.1%
Stora Enso OYJ <sup>2</sup>	7.250% due 04/15/2036	200,000	206,551	Finland	0.7%
			<b>516,377</b>		<b>1.8%</b>
<b>Technology</b>					
Koninklijke KPN	8.375% due 10/01/2030	250,000	286,155	Netherlands	1.0%
Microsoft	5.300% due 02/08/2041	500,000	532,204	United States	1.8%
Nokia OYJ <sup>3</sup>	2.375% due 05/15/2025	EUR 1,000,000	1,061,385	Finland	3.6%
RELX	4.000% due 03/18/2029	400,000	381,683	United Kingdom	1.3%
			<b>2,261,427</b>		<b>7.7%</b>
<b>Utilities</b>					
Tabreed Sukuk <sup>3</sup>	5.500% due 10/31/2025	250,000	248,725	United Arab Emirates	0.8%
United Utilities	6.875% due 08/15/2028	800,000	851,336	United Kingdom	2.9%
			<b>1,100,061</b>		<b>3.7%</b>
<b>Total Corporate Bonds</b>	<b>(Cost \$19,400,538)</b>		<b>\$18,520,733</b>		<b>62.9%</b>

Continued on next page.

# Sustainable Bond Fund

## Schedule of Investments

As of November 30, 2023

Government Bonds - 31.1%		Coupon / Maturity	Face Amount	Market Value	Country <sup>1</sup>	Percentage of Net Assets
Government Bonds						
Asian Development Bank	6.000% due 02/05/2026	BRL \$7,500,000	\$1,434,814	Philippines	4.9%	
European Bk Recon & Dev	5.000% due 01/27/2025	BRL 2,000,000	388,253	United Kingdom	1.3%	
Inter-American Devel BK	7.500% due 12/05/2024	MXN 25,000,000	1,391,168	United States	4.7%	
Int'l Bk Recon & Develop	4.250% due 01/22/2026	MXN 15,000,000	765,610	Germany	2.6%	
Int'l Bk Recon & Develop	5.000% due 10/07/2026	COP 4,950,000,000	1,065,929	United States	3.6%	
Ontario	2.650% due 02/05/2025	CAD 500,000	360,151	Canada	1.2%	
Perusahaan Penerbit SBSN <sup>3</sup>	3.550% due 06/09/2051	500,000	361,842	Indonesia	1.2%	
Republic of Chile	4.340% due 03/07/2042	500,000	421,883	Chile	1.5%	
United Kingdom Gilt <sup>3</sup>	0.875% due 07/31/2033	GBP 750,000	698,471	United Kingdom	2.4%	
				6,888,121		23.4%
Government Sponsored						
Federal Home Loan Bank	1.650% due 10/06/2031	500,000	396,332	United States	1.4%	
United States Cash Management Bills						
United States Cash Management Bill	–% due 12/07/2023	1,250,000	1,248,901	United States	4.2%	
United States Treasury Notes						
United States Treasury Note	3.250% due 05/15/2042	750,000	613,799	United States	2.1%	
Total Government Bonds		(Cost \$9,334,077)		\$9,147,153		31.1%
Municipals Bonds - 0.8%		Coupon / Maturity	Face Amount	Market Value	Country <sup>1</sup>	Percentage of Net Assets
Financial Services						
New York City NY Hsg Dev Corp <sup>8,10</sup>	1.880% due 05/01/2062	250,000	250,000	United States	0.8%	
Total Municipals Bonds		(Cost \$250,000)		\$250,000		0.8%
Total investments		(Cost \$28,984,615)		\$27,917,886		94.8%
Other assets (net of liabilities)				1,537,439		5.2%
Total net assets				\$29,455,325		100.0%

<sup>1</sup>Denotes a country or region of primary exposure

<sup>2</sup>Security was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in public offering registered under the Securities Act of 1933. These securities have been deemed liquid under guidelines approved by the Trust's Board of Trustees. At November 30, 2023, the aggregate value of these securities was \$2,550,378 representing 8.7% of total net assets.

<sup>3</sup>Security was purchased pursuant to Regulation S under the Securities Act of 1933 which exempts from registration securities offered and sold outside of the United States. Such a security cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. These Securities have been deemed liquid under guidelines approved by the Trust's Board of Trustees. At November 30, 2023, the aggregate value of these securities was \$9,211,889 representing 31.2% of total net assets.

<sup>4</sup>Security is perpetual in nature with no stated maturity date.

<sup>5</sup>Coupon rates for floating and adjustable rate securities reflect the rates in effect at period end.

<sup>6</sup>AXA is a fixed to float bond. The bond has a fixed rate until 01/17/2027. The interest rate represents the rate in effect at November 30, 2023.

<sup>7</sup>Canadian Imperial Bank is a fixed to float bond. The bond has a fixed rate until 10/28/2025. The interest rate represents the rate in effect at November 30, 2023.

<sup>8</sup>Variable rate security. The interest rate represents the rate in effect at November 30, 2023 and resets periodically based on the parenthetically disclosed reference rate and spread.

<sup>9</sup>Munich RE is a fixed to float bond. The bond has a fixed rate until 05/26/2032. The interest rate represents the rate in effect at November 30, 2023.

<sup>10</sup>Variable rate security. Rate as of period end and maturity is the date the principal owed can be recovered through demand.

LIBOR: London Interbank Offered Rates

AUD : Australia Dollar  
 BRL : Brazil Real  
 CAD : Canada Dollar  
 COP : Colombia Peso  
 EUR : Euro Dollar  
 GBP : United Kingdom Pound  
 MXN : Mexico Nuevo Peso  
 NOK : Norway Krone  
 USD : United States Dollar

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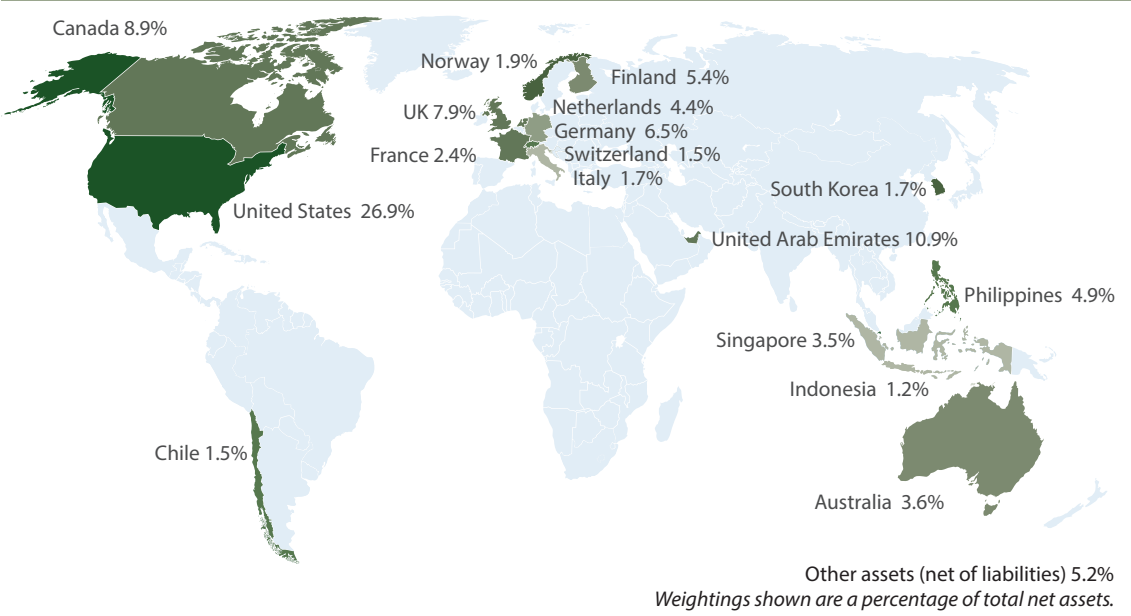
Sustainable Bond Fund

Schedule of Investments

As of November 30, 2023

Countries

(unaudited)





# Sustainable Bond Fund

## Statement of Assets and Liabilities

As of November 30, 2023

<b>Assets</b>	
Investments in securities, at value (Cost \$28,984,615)	\$27,917,886
Cash	1,028,688
Interest receivable	454,975
Receivable for Fund shares sold	69,334
Dividends receivable	8,830
Prepaid expenses	2,071
Total assets	29,481,784
<b>Liabilities</b>	
Accrued advisory fees	10,305
Accrued audit expenses	10,156
Accrued retirement plan custody fee	1,279
Accrued trustee expenses	644
Accrued Chief Compliance Officer expenses	295
Accrued legal expenses	56
Accrued other operating expenses	847
Accrued printing fees	2,877
Total liabilities	26,459
<b>Net assets</b>	<b>\$29,455,325</b>
<b>Analysis of net assets</b>	
Paid-in capital (unlimited shares authorized, without par value)	\$31,590,655
Total distributable earnings	(2,135,330)
<b>Net assets applicable to Fund shares outstanding</b>	<b>\$29,455,325</b>
<b>Fund shares outstanding</b>	<b>3,173,263</b>
<b>Net asset value, offering, and redemption price per share</b>	<b>\$9.28</b>

## Statement of Operations

Year ended November 30, 2023

<b>Investment income</b>	
Interest income	\$1,340,578
Total investment income	1,340,578
<b>Expenses</b>	
Investment advisory fees	162,275
Filing and registration fees	25,174
Audit fees	17,745
Legal fees	9,118
Trustee fees	7,605
Chief Compliance Officer expenses	7,373
Custodian fees	7,367
Retirement plan custodial fees	1,502
Other operating expenses	6,947
Total gross expenses	245,106
Less advisory fees waived	(45,960)
Less custodian fee credits	(7,367)
Net expenses	191,779
<b>Net investment income</b>	<b>\$1,148,799</b>
<b>Net realized loss from investments and foreign currency</b>	
	\$(1,123,261)
<b>Net decrease in unrealized depreciation on investments and foreign currency</b>	
	914,606
<b>Net loss on investments</b>	<b>(208,655)</b>
<b>Net increase in net assets resulting from operations</b>	<b>\$940,144</b>

# Sustainable Bond Fund

## Statements of Changes in Net Assets

	Year ended November 30, 2023	Year ended November 30, 2022
<b>Increase in net assets from operations</b>		
<b>From operations</b>		
Net investment income	\$1,148,799	\$693,860
Net realized loss on investments and foreign currency	(1,123,261)	(1,581,895)
Net increase (decrease) in unrealized depreciation on investments and foreign currency	914,606	(1,620,632)
Net increase (decrease) in net assets	940,144	(2,508,667)
<b>Distributions to shareowners from</b>		
Net dividend and distribution to shareholders	(183,662)	(610,282)
<b>Capital share transactions</b>		
Proceeds from the sale of shares	7,936,631	11,780,938
Value of shares issued in reinvestment of dividends and distributions	182,968	610,114
Cost of shares redeemed	(8,125,858)	(6,614,809)
Total capital shares transactions	(6,259)	5,776,243
<b>Total increase in net assets</b>	<b>750,223</b>	<b>2,657,294</b>
<b>Net assets</b>		
Beginning of year	28,705,102	26,047,808
End of year	\$29,455,325	\$28,705,102
<b>Shares of the Fund sold and redeemed</b>		
<b>Sustainable Bond (SEBFX)</b>		
Number of shares sold	863,856	1,247,651
Number of shares issued in reinvestment of dividends and distributions	20,330	62,130
Number of shares redeemed	(894,442)	(726,101)
<b>Net increase (decrease) in number of shares outstanding</b>	<b>(10,256)</b>	<b>583,680</b>

## Sustainable Bond Fund: Financial Highlights

### Sustainable Bond (SEBFX)

Selected data per share of outstanding capital stock throughout each year:

	Year ended November 30,				
	2023	2022	2021	2020	2019
<b>Net asset value at beginning of year</b>	<b>\$9.02</b>	<b>\$10.02</b>	<b>\$10.25</b>	<b>\$9.70</b>	<b>\$9.39</b>
<b>Income from investment operations</b>					
Net investment income	0.36	0.22	0.20	0.23	0.28
Net gains (losses) on securities (both realized and unrealized)	(0.04)	(0.98)	(0.42)	0.42	0.29
<b>Total from investment operations</b>	<b>0.32</b>	<b>(0.76)</b>	<b>(0.22)</b>	<b>0.65</b>	<b>0.57</b>
<b>Less distributions</b>					
Dividends (from net investment income)	(0.06)	(0.05)	(0.01)	(0.10)	(0.26)
Distributions (from capital gains)	–	(0.19)	–	–	–
<b>Total distributions</b>	<b>(0.06)</b>	<b>(0.24)</b>	<b>(0.01)</b>	<b>(0.10)</b>	<b>(0.26)</b>
<b>Net asset value at end of year</b>	<b>\$9.28</b>	<b>\$9.02</b>	<b>\$10.02</b>	<b>\$10.25</b>	<b>\$9.70</b>
<b>Total Return</b>	3.55%	(7.83)%	(2.14)%	6.78%	6.09%
<b>Ratios / supplemental data</b>					
Net assets (\$000), end of year	\$29,455	\$28,705	\$26,048	\$21,973	\$27,775
Ratio of expenses to average net assets					
Before advisory fees waiver and custodian fee credits	0.83%	0.74%	0.86%	0.85%	0.83%
After advisory fees waiver	0.67%	0.66%	0.66%	0.67%	0.66%
After advisory fees waiver and custodian fee credits	0.65%	0.65%	0.65%	0.65%	0.65%
Ratio of net investment income after advisory fee waivers and custodian fee credits to average net assets	3.89%	2.35%	1.99%	2.33%	2.87%
<b>Portfolio turnover rate</b>	<b>54%</b>	<b>80%</b>	<b>65%</b>	<b>63%</b>	<b>38%</b>

# Notes To Financial Statements

## Note 1 – Organization

Saturna Investment Trust (the “Trust”) was established under Washington State Law as a business trust on February 20, 1987.

The Trust is registered as an open-end, diversified management company under the Investment Company Act of 1940, as amended. The Trust currently offers shares of eight portfolio series, two of which are covered by this annual report: Saturna Sustainable Equity Fund and Saturna Sustainable Bond Fund (the “Funds”). The Sextant Short-Term Bond Fund, Sextant Bond Income Fund, Sextant Core Fund, Sextant Global High Income Fund, Sextant Growth Fund, and Sextant International Fund are offered through separate prospectuses and have a separate shareholder report.

Saturna Sustainable Equity Fund and Saturna Sustainable Bond Fund commenced operations on March 27, 2015.

Each Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 “Financial Services – Investment Companies”.

### Investment risks:

**Sustainable Equity Fund and Sustainable Bond Fund:** The value of each Fund’s shares rises and falls as the value of the securities in which the Fund invests goes up and down. Fund share prices, yields, and total returns will change with market fluctuations as well as the fortunes of the countries, industries, and companies in which the Fund invests. The Funds do not use derivatives to hedge currency, interest rate, or credit risk.

The Fund’s adviser employs a proprietary sustainable rating system based on its own, as well as third-party, data to identify issuers believed to present low environmental, social and governance (ESG) risks. Ratings are dependent upon the associated ESG risks that are most pertinent to the sector in which an issuer operates. The ratings process associated with sustainable and responsible investing reduces the investable universe for each Fund, which limits opportunities and may increase the risk of loss during market declines. The adviser believes that sustainable investing may mitigate security-specific risk, but there is no guarantee that the securities favored by our investment process will perform better and may perform worse than those that are not favored.

The Funds may invest substantially in one or more sectors, which can increase volatility and exposure to issues specific to a particular sector or industry.

Foreign investing involves risks not normally associated with investing in US securities. These include fluctuations in currency exchange rates, less public information about securities, less governmental market supervision, and the lack of uniform financial, social, and political standards. Foreign investing heightens the risk of confiscatory taxation, seizure or nationalization of assets, establishment of currency controls, or adverse political or social developments that affect investments. The risks of investing in foreign securities are typically greater in less developed or emerging countries.

Liquidity risk exists when particular investments are difficult to sell. If a Fund holds illiquid investments, its portfolio may be more difficult to value, especially in changing markets. Investments by a Fund in foreign securities and those that are thinly traded, such as lower quality issuers, and smaller companies tend to involve greater liquidity risk. If a Fund is forced to sell or unwind these investments to meet redemptions or for other cash needs, the Fund may suffer

a penalty. Additionally, the market for certain investments may become illiquid under adverse market or economic conditions independent of any specific adverse changes in the conditions of a particular issuer. In such cases, the Fund, due to limitations on investments in illiquid securities and the difficulty in purchasing and selling such securities, may be unable to achieve its investment objective.

**Sustainable Bond Fund:** The risks inherent in the Sustainable Bond Fund depend primarily on the terms and quality of the obligations in its portfolio, as well as on bond market conditions. When interest rates rise, bond prices fall. When interest rates fall, bond prices go up. Bonds with longer maturities usually are more sensitive to interest rate changes than bonds with shorter maturities. The Fund entails credit risk, which is the possibility that a bond will not be able to pay interest or principal when due. If the credit quality of a bond is perceived to decline, investors will demand a higher yield, which means a lower price on that bond to compensate for the higher level of risk.

The Fund may invest a portion of its assets in securities issued by government sponsored entities such as Fannie Mae, Freddie Mac, and the Federal Home Loan Banks in the US. Foreign governments also sponsor similar entities, which may promote activities such as low-cost housing or alternative energy. The Fund may also invest in the issues of regional, state, and local governments. The terms of such issues can be complex, and there can be no assurance that a government entity will support such enterprises that encounter financial difficulty.

Issuers of high-yield securities are generally not as strong financially as those issuing higher quality securities. These issuers are more likely to encounter financial difficulties and are more vulnerable to changes in the relevant economy that could affect their ability to make interest and principal payments as expected. High-yield bonds may have low or no ratings, and may be considered “junk bonds.”

Bond investments, especially mortgage-backed and asset-backed securities, are subject to the risk that borrowers will prepay the principal more quickly than expected (prepayment risk) or more slowly than expected (extension risk), which will affect the yield, average life, and price of the securities.

## Note 2 – Significant Accounting Policies

The following is a summary of the significant accounting policies, in conformity with accounting principles generally accepted in the United States of America, which are consistently followed by the Funds in preparation of their financial statements.

### Security valuation:

Investments in securities traded on a national securities exchange and over-the-counter securities for which sale prices are available are valued at that price. Securities for which there are no sales are valued at the latest bid price.

Debt securities are valued using bid-side valuations provided by an independent service. The service determines valuations using factors such as yields or prices of bonds of comparable quality, type of issue, coupon maturity, ratings, trading activity, and general market conditions.

Fixed-income debt instruments, such as commercial paper, bankers’ acceptances, and US Treasury Bills, with a maturity of 60 days or less are valued at amortized cost, which approximates market value.

## Notes To Financial Statements *(continued)*

### Note 2 – Significant Accounting Policies *(continued)*

Foreign markets may close before the time as of which the Funds' share prices are determined. Because of this, events occurring after the close and before the determination of the Funds' share prices may have a material effect on the values of some or all of the Funds' foreign securities. To account for this, the Funds may use outside pricing services for valuation of their non-US securities.

In cases in which there is not a readily available market price, a fair value for such security is determined in good faith by the Funds' investment adviser (Saturna Capital), whom the Board of Trustees has designated as the Funds' valuation designee to perform fair value determinations relating to all Fund investments.

Security transactions are recorded on the trade date. Realized gains and losses on sales of securities are recorded on the identified cost basis.

#### Foreign currency:

Investment securities and other assets and liabilities denominated in foreign currencies are translated into US dollar amounts at the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into US dollar amounts on the respective dates of such transactions.

The Funds do not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Funds' books and the US dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.

#### Share valuation:

Each Fund computes the share price of each share class by dividing the net assets attributable to each share class by the outstanding shares of that class. Each share class represents an interest in the same investment portfolio. Each share class is identical in all respects except that each class bears its own class expenses, and each class has exclusive voting rights on matters affecting that class. As a result of the differences in the expenses borne by each share class, the share price and distributions will vary among a Fund's share classes. The Funds' shares are not priced or traded on days the New York Stock Exchange is closed. The NAV is both the offering and redemption price per share.

#### Share Valuation Inputs as of November 30, 2023

Funds	Level 1 Quoted Price	Level 2 Significant Observable Input	Level 3 Significant Unobservable Input	Total
<b>Sustainable Equity Fund</b>				
<b>Common Stock</b>				
Consumer Discretionary	\$2,837,248	\$–	\$–	\$2,837,248
Consumer Staples	\$1,896,692	\$–	\$–	\$1,896,692
Energy	\$–	\$304,847	\$–	\$304,847
Financials	\$1,471,111	\$–	\$–	\$1,471,111
Health Care	\$2,715,823	\$–	\$–	\$2,715,823
Industrials	\$2,284,345	\$599,409	\$–	\$2,883,754
Materials	\$475,545	\$413,325	\$158,467	\$1,047,337
Technology	\$5,979,154	\$924,213	\$–	\$6,903,367
<b>Total Common Stock</b>	<b>\$17,659,918</b>	<b>\$2,241,794</b>	<b>\$158,467</b>	<b>\$20,060,179</b>
<b>Total Assets</b>	<b>\$17,659,918</b>	<b>\$2,241,794</b>	<b>\$158,467</b>	<b>\$20,060,179</b>
<b>Sustainable Bond Fund</b>				
Corporate Bonds <sup>1</sup>	\$–	\$18,520,733	\$–	\$18,520,733
Government Bonds <sup>1</sup>	\$–	\$9,147,153	\$–	\$9,147,153
Municipals Bonds <sup>1</sup>	\$–	\$250,000	\$–	\$250,000
<b>Total Assets</b>	<b>\$–</b>	<b>\$27,917,886</b>	<b>\$–</b>	<b>\$27,917,886</b>

<sup>1</sup>See the Schedule of Investments for additional details.



## Notes To Financial Statements *(continued)*

### Note 2 – Significant Accounting Policies *(continued)*

The following is a reconciliation of assets and liabilities for which Level 3 inputs were used in determining value.

	Common Stocks
Beginning Balance	\$-
Total realized gain (loss)	\$-
Change in unrealized appreciation (depreciation)	\$-
Net purchases	\$-
Net Sales	\$-
Transfers into Level 3	\$-
Transfers out of Level 3	\$158,467
<b>Ending Balance</b>	<b>\$158,467</b>

The following is quantitative information about significant unobservable inputs (Level 3) for the Company as of November 30, 2023.

Asset Category	Fair Value	Valuation Technique	Unobservable Input	Input Value
Specialty Chemicals	\$158,467	85% of local close on 05/03/2023 adjusted by FX and the dividend paid on July 3, 2023	None	FX 1.00849

The Fund has adopted a policy of recording any transfers of investment securities between the different levels in the fair value hierarchy as of the end of the year.

#### Fair value measurements:

Accounting Standards Codification (ASC) 820 establishes a three-tier framework for measuring fair value based on a hierarchy of inputs. The hierarchy distinguishes between market data obtained from independent sources (observable inputs) and the Funds' own market assumptions (unobservable inputs). These inputs are used in determining the value of the Funds' investments and are summarized below.

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the Trust has the ability to access.

Level 2 - Observable inputs other than quoted prices in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Trust's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

#### Concentration of credit risk:

The Funds may have deposits of cash with the custodian from time to time for one or more reasons. "Other assets (net of liabilities)" in the Funds' Schedules of Investments primarily represents cash on deposit with the custodian. Cash on deposit will vary widely over time. Accounting Standards Codification ("ASC") 825, "Financial Instruments," identifies these items as a concentration of credit risk. The risk is managed by careful financial analysis and review of the custodian's operations, resources, and protections available to the Trust. This process includes evaluation of other financial institutions providing investment company custody services.

#### Federal income taxes:

Each Fund intends to comply with the requirements of the Internal Revenue Code necessary to qualify as a regulated investment company and to make the requisite distributions of income and capital gains to its shareowners sufficient to relieve it from all or substantially all federal income taxes. Therefore, no federal income tax provision is required.

The Funds recognize the tax benefits of uncertain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. Management has analyzed the Funds' tax positions and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years (2020 – 2022) or expected to be taken in the Funds' 2023 tax returns. The Funds identify their major tax jurisdiction as US federal and foreign jurisdictions where the Funds make significant investments; however, the Funds are not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.

#### Reclassification of capital accounts:

Accounting principles generally accepted in the United States of America require that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting.

As of November 30, 2023, there were no reclassifications to the capital accounts.

#### Distributions to shareowners:

Sustainable Equity Fund, and Sustainable Bond Fund, pays income dividends annually, typically by the end of the year. As a result of its investment strategy, the Saturna Sustainable Equity Fund may not pay income dividends. For both Funds, distributions of capital gains, if any, are made at least annually, and as required to comply with federal excise tax requirements. Distributions to shareowners are determined in accordance with income tax regulations and are recorded on the ex-dividend date. Dividends are paid in shares of the Funds, at the net asset value on the payable date. Shareowners may elect to take distributions if they total \$10 or more in cash.

## Notes To Financial Statements *(continued)*

### Note 2 – Significant Accounting Policies *(continued)*

#### Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets during the reporting period. Actual results could differ from those estimates.

#### Foreign taxes:

Withholding taxes on foreign dividends are paid (a portion of which may be reclaimable) or provided for in accordance with the applicable country's tax rules and rates and are disclosed in the Statement of Operations. Withholding tax reclaims are filed in certain countries to recover a portion of the amounts previously withheld. The Funds record a reclaim receivable based on a number of factors, including a jurisdiction's legal obligation to pay reclaims as well as payment history and market convention.

#### LIBOR Transition Risk:

A Fund may invest in certain debt securities or other financial instruments that utilize the London Interbank Offered Rate ("LIBOR") as a benchmark or reference rate for various interest rate calculations. A benchmark or reference rate may be a significant factor in determining the cost of financing to a Fund or an investment's value or return to a Fund, and may be used in other ways that affect a Fund's investment performance.

LIBOR was discontinued as a floating rate benchmark after June 30, 2023. It is anticipated that financial instruments, such as certain floating rate bonds, that previously utilize LIBOR have transitioned to using the Secured Overnight Financing Rate ("SOFR"), which is a broad measure of the cost of overnight borrowings secured by US Treasury securities. The transition from LIBOR to SOFR (or any other replacement rate) may lead to a reduction in the value of some LIBOR-based investments, as well as significant market uncertainty, increased volatility, and illiquidity in markets for various instruments, which may result in prolonged adverse market conditions and impact a Fund's performance or NAV.

#### Other:

Interest income is recognized on an accrual basis. Premiums on securities purchased are amortized, and discounts are accreted using the yield to maturity method over the lives of the respective securities or where applicable, to the first call date of the securities with premiums. Dividends from equity securities are recorded as income on the ex-dividend date or as soon as information is available to the fund.

#### Recent Accounting Pronouncement:

In December 2020, the SEC adopted a new rule providing a framework for fund valuation practices ("Rule 2a-5"). Rule 2a-5 establishes requirements for determining fair value in good faith for purposes of the 1940 Act. Rule 2a-5 permits fund boards to designate certain parties to perform fair value determinations, subject to board oversight and certain other conditions. Rule 2a-5 also defines when market quotations are "readily available" for purposes of the 1940 Act and the threshold for determining whether a fund must fair value a security. In connection with Rule 2a-5, the SEC also adopted related recordkeeping requirements and

is rescinding previously issued guidance, including with respect to the role of a board in determining fair value and the accounting and auditing of fund investments. The Fund has adopted procedures in accordance with Rule 2a-5.

Regulatory Update – Tailored Shareholder Reports for Mutual Funds and Exchange-Traded Funds ("ETFs") – Effective January 24, 2023, the SEC adopted rule and form amendments to require mutual funds and ETFs to transmit concise and visually engaging streamlined annual and semiannual reports to shareholders that highlight key information. Other information, including financial statements, will no longer appear in a streamlined shareholder report but must be available online, delivered free of charge upon request, and filed on a semiannual basis on Form N-CSR. The rule and form amendments have a compliance date of July 24, 2024. At this time, management is evaluating the impact of these amendments on the shareholder reports for the Fund.

### Note 3 – Transactions with Affiliated Persons

Under contracts approved annually by the Board of Trustees, including those who are not parties to the contract or "interested persons" (as defined in the Investment Company Act of 1940) of such parties or the Trust (the "Independent Trustees"), Saturna Capital Corporation ("Saturna Capital") provides investment advisory services and certain other administrative services required to conduct Trust business. Expenses incurred by the Trust on behalf of the Funds (e.g., legal fees) are allocated to the Funds on the basis of relative daily average net assets. For such services, each of the Funds pays the adviser an Investment Advisory and Administrative Services Fee of 0.65% for the Sustainable Equity Fund and 0.55% for the Sustainable Bond Fund of average net assets per annum, payable monthly. In addition, the adviser has agreed to certain limits on other expenses, as described below

The Adviser has undertaken to limit expenses of the Sustainable Equity Fund to 0.75% and the Sustainable Bond Fund to 0.65% through March 31, 2024. For the fiscal year ended November 30, 2023, the advisory fees incurred were as follows:

	Advisory Fees	Advisory Fees Waived
Sustainable Equity Fund	\$130,596	\$(41,877)
Sustainable Bond Fund	\$162,275	\$(45,960)

In accordance with the expense limitation noted above, for the fiscal year ended November 30, 2023, Saturna Capital waived a portion of the advisory fees of the Sustainable Equity Fund and Sustainable Bond Fund. The adviser cannot recoup previously waived fees

Saturna Brokerage Services, Inc. ("SBS"), a discount brokerage and subsidiary of Saturna Capital Corporation, is registered as a broker-dealer and acts as distributor. On December 19, 2014, the Funds adopted a Distribution Plan in accordance with Rule 12b-1 under the 1940 Act. On June 2, 2017, 12b-1 fees were terminated for both Saturna Sustainable Funds.

SBS is used to effect equity portfolio transactions for the Trust. SBS currently executes portfolio transactions without commission. Transactions effected through other brokers are subject to commissions payable to that broker.

## Notes To Financial Statements *(continued)*

### Note 3 – Transactions with Affiliated Persons *(continued)*

Saturna Trust Company ("STC"), a subsidiary of Saturna Capital, acts as retirement plan custodian for the Funds. Each class of shares of a Fund pays an annual fee of \$10 per account for retirement plan services to Saturna Trust Company. For the fiscal year ended November 30, 2023, the Funds incurred the following retirement plan custodial fees to STC:

Retirement plan custodial fees	
<b>Sustainable Equity Fund (SEEFX)</b>	\$2,806
<b>Sustainable Bond Fund (SEBFX)</b>	\$1,502

Ms. Jane Carten serves as a trustee and president of the Trust. She is also a director and president of Saturna Capital, vice president of Saturna Trust Company, and chairman of Saturna Sendirian Berhad. Ms. Carten is not compensated by the Trust. For the fiscal year ended November 30, 2023, the Saturna Investment Trust incurred \$70,142 of total expenses for the Independent Trustee's compensation and Trust board meetings. The Saturna Sustainable Funds incurred \$14,488 of these total expenses.

On November 30, 2023, the trustees, officers, and their affiliates (including Saturna Capital Corporation) as a group, owned the following percentages of outstanding shares:

Trustees', officers', and affiliates' ownership	
<b>Sustainable Equity Fund(SEEFX)</b>	36.23%
<b>Sustainable Bond Fund(SEBFX)</b>	14.03%

The officers of the Trust are paid by Saturna Capital Corporation, not the Trust, except the Chief Compliance Officer, who is partially compensated by the Trust. For the fiscal year ended November 30, 2023, the Funds paid the following compensation expenses for the Chief Compliance Officer:

Chief Compliance Officer	
<b>Sustainable Equity Fund</b>	\$5,084
<b>Sustainable Bond Fund</b>	\$7,373

### Note 4 – Distributions to Shareowners

The tax characteristics of distributions paid for the fiscal year ended November 30, 2023, and the fiscal year ended November 30, 2022, were as follows:

	November 30, 2023	November 30, 2022
<b>Sustainable Equity Fund</b>		
Ordinary Income	\$177,042	\$164,336
<b>Sustainable Bond Fund</b>		
Ordinary Income	\$183,662	\$610,282

<sup>1</sup> Long-Term Capital Gain dividend designated at 20% rate pursuant to Section 852(b)(3) of the Internal Revenue Code.

### Note 5 – Federal Income Taxes

The cost basis of investments for federal income tax purposes at November 30, 2023, were as follows:

	Sustainable Equity Fund	Sustainable Bond Fund
Cost of investments	\$15,512,477	\$28,984,615
Gross tax unrealized appreciation	\$6,009,862	\$363,076
Gross tax unrealized depreciation	\$(1,462,160)	\$(1,429,805)
Net tax unrealized appreciation (depreciation)	\$4,547,702	\$(1,066,729)

As of November 30, 2023, the components of distributable earnings on a tax basis were as follows:

Sustainable Equity Fund	
Undistributed ordinary income	\$221,989
Accumulated capital and other losses	\$(635,498)
Tax accumulated earnings	\$(413,509)
Unrealized Appreciation	\$4,547,702
Other unrealized accumulated losses	\$(292)
<b>Total accumulated earnings</b>	<b>\$4,133,901</b>

Sustainable Bond Fund	
Undistributed ordinary income	\$1,028,703
Accumulated capital and other losses	\$(2,085,633)
Tax accumulated earnings	\$(1,056,930)
Unrealized Depreciation	\$(1,066,729)
Other unrealized accumulated losses	\$(11,671)
<b>Total accumulated earnings</b>	<b>\$(2,135,330)</b>

At November 30, 2023, the Funds had the following capital loss carryforwards and loss deferrals, subject to regulation. Prior to their expiration, loss carryforwards may be used to offset future net capital gains realized for federal income tax purposes.

	Sustainable Equity Fund	Sustainable Bond Fund
Short term loss carryforward	\$166,809	\$904,725
Long term loss carryforward	\$468,690	\$1,180,905
<b>Total Capital loss carryforward</b>	<b>\$635,499</b>	<b>\$2,085,630</b>

### Note 6 – Investments

During the fiscal year ended November 30, 2023, the Funds purchased and sold the following amounts of securities:

	Purchases	Sales
<b>Sustainable Equity Fund</b>	\$1,582,623	\$475,931
<b>Sustainable Bond Fund</b>	\$18,216,661	\$14,915,234

### Note 7 – Custodian

Under agreements in place with the Trust's custodian, UMB Bank, custody fees are reduced by credits for cash balances. For the fiscal year ended November 30, 2023, such reductions were as follows:

Custodian Fee Credits	
<b>Sustainable Equity Fund</b>	\$1,493
<b>Sustainable Bond Fund</b>	\$7,367

# Notes To Financial Statements *(continued)*

## Note 8 – Subsequent Events

The Funds declared the payment of a distribution to be paid on December 21, 2023, to all shareowners of record on December 20, 2023 as follows:.

	Ordinary Income	Short-Term Capital Gain	Long-Term Capital Gain
Sustainable Equity	\$0.175	\$–	\$–
Sustainable Bond	\$0.34	\$–	\$–

There were no other events or transactions during the period that materially impacted the amounts or disclosures in the Funds’ financial statements.

# Report of Independent Registered Public Accounting Firm

To the Board of Trustees of  
Saturna Investment Trust  
and the Shareholders of Saturna Sustainable Funds

## Opinion on the Financial Statements

We have audited the accompanying statements of assets and liabilities of Sustainable Equity Fund, and Sustainable Bond Fund, (the "Funds"), each a series of Saturna Investment Trust, including the schedules of investments, as of November 30, 2023, the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and financial highlights for each of the five years in the period then ended, and the related (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Funds as of November 30, 2023, the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period then ended and their financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

## Basis for Opinion

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the Funds' financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We have served as the auditor of one or more of the funds in the Trust since 1995.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Funds are not required to have, nor were we engaged to perform, an audit of the Funds' internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of November 30, 2023 by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

Philadelphia, Pennsylvania  
January 29, 2023



Tait, Weller & Baker LLP



## Expenses

(unaudited)

All mutual funds have operating expenses. As a Saturna Sustainable Fund shareowner, you incur ongoing costs, including management fees and other Fund expenses such as shareowner reports (like this one). Operating expenses, which are deducted from a fund's gross earnings, directly reduce the investment return of a fund. Mutual funds (unlike other financial investments) only report their results after deduction of operating expenses.

With the Saturna Sustainable Funds, unlike many mutual funds, you do not incur sales charges (loads) on purchases, reinvested dividends, or other distributions. There are no redemption fees or exchange fees. You may incur fees related to extra services requested by you for your account, such as bank wires. The examples below are intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

## Examples

The following examples are based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (December 1, 2022 to November 30, 2023).

## Actual Expenses

The first line for each Fund provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you have invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during

this period. The Funds may charge for extra services (such as domestic bank wires, international bank wires, or overnight courier delivery of redemption checks) rendered on request, which you may need to estimate to determine your total expenses.

## Hypothetical Example For Comparison Purposes

The second line for each Fund provides information about hypothetical account values and hypothetical expenses based on each Fund's actual expense ratio (based on the last six months) and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Funds and other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareowner reports of other mutual funds. You may wish to add other fees that are not included in the expenses shown in the table, such as IRA fees charged by custodians other than Saturna Trust Company (note that Saturna does not charge such fees to shareowners directly on Saturna IRAs, ESAs, or HSAs with the Saturna Sustainable Funds), and charges for extra services such as bank wires.

Please note that the expenses shown in the tables are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads) or exchange fees (note that the Amana Funds do not assess any such transactional costs). Therefore, the "Hypothetical" line of each fund is useful in comparing ongoing costs only, and may not help you determine the relative total costs of owning different funds.





	Beginning Account Value [December 1, 2022]	Ending Account Value [November 30, 2023]	Expenses Paid During the Period	Annualized Expense Ratio
<b>Sustainable Equity Fund</b>	\$1,000.00	\$1,068.20	\$3.89	0.75%
Hypothetical (5% return before expenses)	\$1,000.00	\$1,021.31	\$3.80	0.75%
<b>Sustainable Bond Fund</b>	\$1,000.00	\$1,012.00	\$3.28	0.65%
Hypothetical (5% return before expenses)	\$1,000.00	\$1,021.81	\$3.29	0.65%

Expenses are equal to annualized expense ratios indicated above (based on the most recent semi-annual period of June 1, 2022, through November 30, 2023), multiplied by the average account value over the period, multiplied by 182/365 to reflect the semi-annual period.

## Trustees and Officers

(unaudited)

Name (Age) and Address	Position(s) Held with Trust & Number of Saturna Fund Portfolios Overseen	Principal Occupation(s) during past 5 years, including Directorships	Other Directorships held by Trustee
<b>INDEPENDENT TRUSTEES</b>			
 <b>Marina E. Adshade</b> , (56) 1300 N. State Street Bellingham, WA 98225	Independent Trustee (since 2017);  Eight	Professor of Economics, University of British Columbia, Vancouver; Author	None
 <b>Ronald H. Fielding</b> , MA, MBA, PhD (Hon.) (74) 1300 N. State Street Bellingham, WA 98225	Independent Trustee (since 2009);  Twelve	Director, ICI Mutual Insurance Company	Amana Mutual Funds Trust
 <b>Gary A. Goldfogel</b> , (65) 1300 N. State Street Bellingham, WA 98225	Chairman (since 2017); Independent Trustee (since 1995); Eight	Medical Examiner (pathologist)	None
 <b>Jim V. McKinney</b> , (62) 1300 N. State Street Bellingham, WA 98225	Independent Trustee (since 2017); Eight	President/CEO, Apple Mountain LLC, consulting and development; Former US Army Foreign Area Officer	None
 <b>Sarah E.D. Rothenbuhler</b> , (55) 1300 N. State Street Bellingham, WA 98225	Independent Trustee (since 2017); Eight	CEO, Birch Equipment (industrial rentals and sales)	None
<b>INTERESTED TRUSTEE</b>			
 <b>Jane K. Carten</b> , MBA (48) 1300 N. State Street Bellingham, WA 98225	President, Trustee (since 2017); Eight	President and Director, Saturna Capital Corporation Vice President and Director, Saturna Trust Company President, Saturna Brokerage Services Chairman, Saturna Sendirian Berhad	None

Name (Age) and Address	Position(s) Held with Trust & Number of Saturna Fund Portfolios Overseen	Principal Occupation(s) during past 5 years, including Directorships	Other Directorships held by Trustee
<b>OFFICERS WHO ARE NOT TRUSTEES</b>			
 <b>Bryce R. Fegley</b> (48) 1300 N. State Street Bellingham, WA 98225	Vice President (since 2020); N/A	Portfolio Manager and Senior Investment Analyst, Saturna Capital	N/A
 <b>Christopher R. Fankhauser</b> (51) 1300 N. State Street Bellingham, WA 98225	Treasurer <sup>1</sup> (since 2002); N/A	Chief Operations Officer and Director, Saturna Capital Corporation;  Vice President and Chief Operations Officer, Saturna Brokerage Services;  Director, Vice President, and Chief Operations Officer, Saturna Trust Company	N/A
 <b>Michael E. Lewis</b> (62) 1300 N. State Street Bellingham, WA 98225	Chief Compliance Officer <sup>1</sup> (since 2012); N/A	Chief Compliance Officer, Saturna Capital, Saturna Trust Company, and Affiliated Funds.	N/A
 <b>Jacob A. Stewart</b> (43) 1300 N. State Street Bellingham, WA 98225	Anti-Money Laundering Officer <sup>1</sup> (since 2015); N/A	Anti-Money Laundering Officer, Saturna Capital Corporation, Saturna Brokerage Services;  Chief Compliance Officer, Saturna Brokerage Services  Bank Secrecy Act Officer, Saturna Trust Company	N/A
 <b>Elliot S. Cohen</b> (60) 1300 N. State Street Bellingham, WA 98225	Secretary (since 2022); N/A	Chief Legal Officer, Saturna Capital Corporation; Former Associate General Counsel for Russell Investments	N/A

Term of Office: each Trustee serves for the lifetime of the Trust or until they die, resign, are removed, or not re-elected by the shareowners. Each officer serves a one-year term subject to annual reappointment by the Trustees.

The Trust's Statement of Additional Information, available without charge upon request by calling Saturna Capital at 1-800-728-8762 and on the Funds' website, [www.saturnasustainable.com](http://www.saturnasustainable.com), includes additional information about the Trustees.

On November 30, 2023, the trustees, officers, and their affiliates as a group owned 36.23% and 14.03% of the outstanding shares of Sustainable Equity and Sustainable Bond Funds, respectively.

During the year ended November 30, 2023, the Independent Trustees were each paid by the Trust: (1) \$2,000 annual retainer plus \$1,000 per board meeting attended (in person or by phone), plus reimbursement of travel expenses; (2) \$250 for committee meetings; and (3) \$250 per quarter for serving as chairman of the board or any committee.

Mrs. Carten is an Interested Trustee by reason of her positions with the Trust's adviser (Saturna Capital Corporation) and underwriter (Saturna Brokerage Services), and is the primary manager of the Saturna Sustainable Equity Fund portfolio. She is paid by Saturna Capital a salary, plus a bonus for each month the Saturna Sustainable Equity Fund portfolio earns a 4 or 5 star rating from Morningstar (see [www.saturna.com](http://www.saturna.com)). The officers are paid by

**Trustees and Officers** *(continued)*

*(unaudited)*

Saturna Capital and not the Trust. As of November 30, 2023, all Saturna Capital employees listed above as officers owned shares in one or more of the Saturna Investment Trust funds, with Mrs. Carten owning (directly or indirectly) over \$1.63 million.

<sup>1</sup> Holds the same position with Amana Mutual Funds Trust.

## Renewal of Investment Advisory Contract

During their meeting of September 19, 2023, the Trustees of Saturna Investment Trust (the “Board” or “Trustees”), including the Independent Trustees, discussed the continuance of the Investment Advisory and Administrative Services Agreement (“Agreement”) between the Trust, on behalf of each Fund, and Saturna Capital. In considering the renewal of the Agreement, the Board, including the Independent Trustees, considered the factors it deemed relevant, including the nature, quality and extent of services provided, the performance of each Fund, expenses and fees, the profitability of Saturna, the potential for economies of scale that may be shared with each Fund and its shareholders as each Fund’s assets grow, and any other benefits derived by Saturna from its relationship with the Funds. In their deliberations, the Trustees did not identify any single factor which alone was responsible for the decision to approve the agreements, and each Trustee may have given different weights to different factors, and, thus, each Trustee may have had a different basis for his or her decision.

The Trustees considered Saturna Capital’s specific responsibilities in all aspects of day-to-day management of the Funds as well as the qualifications, experience and responsibilities of the Funds’ portfolio managers and other key personnel at Saturna Capital. The Trustees discussed Saturna Capital’s experience, ability, and commitment to quality service through performing internally such functions as shareowner servicing, administration, accounting, marketing, and distribution — all in addition to investment management. The Trustees took into consideration Saturna Capital’s continued avoidance of significant operational and compliance problems, plus its continued investments in infrastructure, information management systems, personnel, training, compliance, and investor education materials, all designed to provide high quality investor services and meet investor needs. They recognized Saturna Capital’s efforts to recruit and retain qualified and experienced staff and improve the capital base on which Saturna Capital operates, which the Trustees believe is important to the long-term success of the Funds. They considered Saturna Capital’s focus on investors and its efforts to avoid potential conflicts of interest.

The Trustees considered the investment performance of each Fund. The Trustees considered each Fund’s average annual total returns relative to its benchmark for relevant periods ended July 31, 2023, noting that the Sustainable Equity Fund underperformed its benchmark for the one-, three- and five-year periods and that the Sustainable Bond Fund outperformed its benchmark for the one-, three-, and five-year periods. The Trustees considered comparative performance information from Morningstar, Inc. (“Morningstar”), which provides independent analysis of mutual fund data and, among other things, ranks mutual fund performance within categories comprised of similarly managed funds. The Trustees considered the short- and medium-term performance of the Sustainable Equity Fund relative to the Fund’s Morningstar category for the one-, three- and five-year periods ended July 31, 2023, noting the Fund was in the fourth quartile for the one-year period, third quartile for the three-year period, and the second quartile for the five-year period. The Trustees considered the short- and medium-term performance of the Sustainable Bond Fund relative to the Fund’s Morningstar category for the one-, three- and five- year periods ended July 31, 2023, noting the Fund was in the first quartile for all three periods. The Trustees also considered each Fund’s Morningstar performance rating (one through five stars), and each

Fund’s performance rating relative to its category selected by and Thomas Reuters Lipper, noting that the overall Morningstar rating for both Funds was four stars. The Trustees also noted the high sustainability ratings assigned to the Funds by Morningstar.

The Trustees noted the generally risk-averse investment style of the Funds and other factors which can affect each Fund’s performance relative to its broader Morningstar category. The Trustees also noted certain differences between each Fund and the peer funds within its Morningstar category, including differences in investment strategies and asset size. The Trustees found that Saturna Capital continued to manage each Fund in a manner that is designed to be risk-averse and attractive to long-term investors. The Trustees discussed and considered the efforts of Saturna Capital to make additional resources available to assist in managing the Funds. The Trustees also considered Saturna Capital’s focus on improving investment performance without incurring materially higher levels of risk.

The Trustees also considered the performance and expenses of each Fund as compared to a smaller group of funds with similar investment objectives and strategies, including socially responsible funds, and a range of asset sizes. The Trustees considered these comparative performance and expense data, along with the comparative data published by Morningstar and each Fund’s performance relative to its benchmark, to evaluate the Fund’s performance over near-term and medium-term time periods.

The Trustees also reviewed the fees and expenses of each Fund, including comparative data on fees and expenses published by Morningstar, and considered the components of the Fund’s operating expenses. The Trustees noted the steps that Saturna Capital has undertaken to maintain competitive levels of Fund operating expenses. They noted the significant sponsorship of the Funds by Saturna Capital evidenced, in part, by certain fees and expenses paid by Saturna Capital out of its own resources. The Trustees recognized Saturna Capital’s efforts help make the Funds more widely available and less expensive than would otherwise be the case without Saturna Capital’s efforts.

The Trustees recognized that each Fund remains relatively small and there have not been opportunities to consider economies of scale. The Trustees noted Saturna Capital’s commitment to continue operating the Funds and the costs undertaken by Saturna Capital.

The Trustees reviewed Saturna Capital’s financial information and discussed the issue of Saturna Capital’s profitability, or lack thereof, as related to management and administration of the Trust. They discussed the reasonableness of Saturna Capital’s profitability as part of their evaluation of whether each Fund’s advisory fees bear a reasonable relationship to the mix of services provided by Saturna Capital, including the nature, extent, and quality of such services.

The Trustees considered and compared the fees charged by Saturna Capital to other types of accounts, including non-mutual fund advisory clients. The Trustees noted the differences between the full range of services Saturna Capital provides to the Funds, including investment advisory and administrative services, transfer agency services, and other services, as compared to the investment advisory services provided to the other advisory accounts.

## **Renewal of Investment Advisory Contract** *(continued)*

The Trustees considered potential benefits to Saturna Capital's other business lines from acting as investment adviser to the Funds, but also recognized that Saturna Capital's other business lines also potentially benefit the Funds. The Trustees also noted that there were not soft dollar arrangements with respect to trading in the Funds' portfolios. The Trustees considered whether there are other potential benefits to Saturna Capital in continuing to manage the Funds and the Trustees found that there were no material benefits other than Saturna Capital's receipt of advisory fees. The Trustees also noted with respect to the Sustainable Equity Fund that Saturna Brokerage Services voluntarily waives brokerage commissions for executing Fund portfolio transactions, resulting in lower transaction costs.

The Trustees concluded based on their business judgement that the fees paid by each Fund to Saturna Capital were, from an arm's length bargaining perspective, reasonable and in the best interest of the Fund and its shareowners in light of the services provided, comparative performance, expense and advisory fee information, costs of services provided, profits to be realized, and benefits derived or to be derived by Saturna Capital from its relationship with the Fund. Following this discussion, the Trustees, including the Independent Trustees, unanimously agreed to renew each Fund's Agreement with Saturna Capital.

## Availability of Quarterly Portfolio Information

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- (1) The Saturna Sustainable Funds file complete schedules of portfolio holdings with the SEC for the first and third quarters of each fiscal year as an exhibit to their reports on Form N-PORT.
- (2) The Funds' Form N-PORT reports are available on the SEC's website at [www.sec.gov](http://www.sec.gov) and at [www.saturnasustainable.com](http://www.saturnasustainable.com).
- (3) The Funds post a complete schedule of portfolio holdings after the end of each month, available to investors at [www.saturnasustainable.com](http://www.saturnasustainable.com).

## Availability of Proxy Voting Information

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- (1) A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities is available (a) without charge, upon request, by calling Saturna Capital at 1-800-728-8762; (b) on the Funds' website at [www.saturnasustainable.com](http://www.saturnasustainable.com); and (c) on the SEC's website at [www.sec.gov](http://www.sec.gov).
- (2) Information regarding how each Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available (a) without charge, upon request, by calling Saturna Capital at 1-800-728-8762; (b) on the Funds' website at [www.saturnasustainable.com](http://www.saturnasustainable.com); and (c) on the SEC's website at [www.sec.gov](http://www.sec.gov).

## Householding Policy

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To reduce expenses, we may mail only one copy of the Funds' prospectus, each annual and semi-annual report, and proxy statements when necessary, to those addresses shared by two or more accounts. If you wish to receive individual and/or more copies of these documents, please call us at 1-800-728-8762 or write to us at Saturna Capital/Saturna Sustainable Funds, P.O. Box N, Bellingham, WA 98227. We will begin sending you individual copies 30 days after receiving your request.

If you are currently receiving multiple copies and wish to receive only one copy, please call us at 1-800-728-8762 or write to us at Saturna Capital/Saturna Sustainable Funds, P.O. Box N, Bellingham, WA 98227. We will begin sending you a single copy with subsequent report mailings.

## Privacy Statement

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At Saturna Capital and Saturna Investment Trust, we understand the importance of maintaining the privacy of your financial information. We want to assure you that we protect the confidentiality of any personal information that you share with us. In addition, we do not sell information about our current or former customers.

In the course of our relationship, we gather certain nonpublic information about you, including your name, address, investment choices, and account information. We do not disclose your information to unaffiliated third parties unless it is necessary to process a transaction; service your account; deliver your account statements, shareowner reports and other information; or as

required by law. When we disclose information to unaffiliated third parties, we require a contract to restrict the companies' use of customer information and from sharing or using it for any purposes other than performing the services for which they were required.

We may share information within the Saturna Capital family of companies in the course of informing you about products or services that may address your investing needs.

We maintain our own technology resources to minimize the need for any third party services, and restrict access to information within Saturna. We maintain physical, electronic, and procedural safeguards to guard your personal information. If you have any questions or concerns about the security or privacy of your information, please call us at 1-800-728-8762.





[www.saturnasustainable.com](http://www.saturnasustainable.com)



1300 North State Street  
Bellingham, WA 98225  
[www.saturna.com](http://www.saturna.com)  
1-800-728-8762

This report is issued for the information of the shareowners of the Funds. It is not authorized for distribution to prospective investors unless it is accompanied or preceded by an effective prospectus relating to the securities of the Funds. The Saturna Sustainable Funds are series of Saturna Investment Trust.

**Saturna Brokerage Services, Distributor**



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