COMMUNITY CAPITAL MANAGEMENT

CCM Core Impact Equity Fund*

About CCM

Community Capital Management, LLC (CCM) was founded in 1998 and is a pioneer in impact and ESG investing. The firm believes a fully integrated portfolio, one that includes impact and environmental, social and governance (ESG) factors, can deliver strong financial performance while simultaneously having positive long-term economic and sustainable outcomes. CCM provides impact and ESG investing solutions coupled with customized reporting to clients on the positive impact outcomes of their investments.

Firm Assets	$4.0 Billion
Impact and ESG Experience	22 Years
Impact and ESG Initiatives[1]	$12 Billion Invested Nationwide

Key Takeaways

- Supply shortages contributed to inflation levels that have persisted beyond previous expectations.
- Investor sentiment was volatile as evidenced by swinging interest rates and September's swift stock market decline.
- The prospect of higher rates, higher inflation, and the Federal Reserve's (Fed's) removal of stimulus weighed heavily on the largest, most expensive stocks.

Market Commentary

The economy continued to grow in the third quarter of 2021, albeit at a slower pace than the previous six months of the year due to increasing cases of the COVID-19 delta variant and supply shortages across most industries. Consumer demand outpaced the supply of goods and workers, contributing to inflation that has persisted beyond previously projected levels. By the end of August, the Consumer Price Index was up 5.3% for the trailing 12 months, one of the highest 12-month rates in 20 years. With inflation levels relatively high, and the worst of the pandemic seemingly behind us, the Fed announced its anticipated timeline to reduce previously implemented stimulus measures, which includes paring back bond purchases as soon as November and increasing interest rates next year. While interest rates ended the quarter close to where they began, the bond market was anything but steady. The 10-year U.S. Treasury yield fell to 1.18%, a level not seen since February. As the inflationary effects of supply shortages became evident, rates started to rebound, accelerating after the late September Fed meeting where it announced its tapering intentions. Stock performance during the quarter was mixed, with most major market indices ending the quarter lower than where they began. The largest stocks were some of the best performers during the quarter, as evidenced by the difference in returns between the S&P 500 Index, which posted a positive return of 0.58%, and the equal-weighted S&P 500 Index, which was down 0.22%. While muted quarterly returns might indicate a quiet quarter, it was anything but quiet in the stock market. July was not a good month for small-cap stocks and the positive momentum gained in the prior quarters came to a halt. August witnessed broad market gains, only to be followed by steep losses in September when fear began to grow around the potential for corporate profit declines amidst higher interest rates and supply costs.

In fixed income, the Bloomberg U.S. Aggregate Index (the Index) delivered a total return of 0.05%. With uncertainty surrounding economic growth due to a feared rebound in COVID-19 cases, rates declined in July and bottomed in early August. While this helped boost bond returns, investors appeared cautious, favoring U.S. Treasurys and shorter duration spread sectors. As rates reversed course and started to climb back, investors favored the spread sectors, despite the risk aversion evidenced by September's stock market decline. In the investment grade bond market, the major sectors had little return dispersion during the quarter. Agency MBS posted the best results, up 0.10%, with U.S. Treasurys up 0.09%, and corporate bonds flat. Longer-duration corporate bonds were the worst performers primarily as a result of the industrials sector, which was down 0.25% during the quarter. The stocks of industrials companies were hit hard during the quarter by increases in shipping costs and a rise in commodities prices, contributing to investors' demand for more spread when buying their bonds. Demand for investment grade bonds appears to have slowed from the increase in the second quarter with spreads remaining well below their 15-year median levels. Net bond issuance continues to grow as does the duration of the Index, which hit another record high of 6.7 years at the end of September, both of which seem to point to the increased level of credit and interest rate risk in today's bond market.

In equities, investors moved as quickly as economic and industry data changed. Most of the market's quarterly losses were concentrated in the industrials sector, where rising commodity costs can quickly increase expenses and erode profitability. The S&P 500 Industrials sector was down 6.15% in September and down 4.23% for the quarter. While the S&P 500 Energy Index was down 1.66% during the quarter, it still leads the Index so far in 2021 delivering a year-to-date return of 43.22% with a quarter of that gain coming in the month of September when the prices of oil and natural gas accelerated higher. The technology sector and mega-cap growth stocks once again posted the best results in the U.S. stock market. However, they fell the hardest in September, illustrating their vulnerability to rising rates, a less accommodative Fed, and the threat of additional regulation impacting mega-cap stocks like Alphabet and Facebook.

Stock valuations across the major market indices remain mixed, with large-cap, growth-oriented stocks looking expensive relative to their 15-year history and value and small-cap stocks looking more reasonably priced. Among the stock market sectors, we see even greater valuation dispersion. The energy sector still looks fairly valued irrespective of recent increases in energy costs and the industrials sector still looks expensive despite pullback. The dispersion of valuations among stocks remains elevated, which should create an opportunity for active investment managers to outperform their benchmarks through security selection, regardless of the valuation characteristics of the entire market or individual sectors.

[1] *Impact numbers are approximate figures*

Investment Objective

The CCM Core Impact Equity Fund (the Fund) seeks to provide long-term growth of capital.

Why Invest

The Fund seeks long-term growth of capital by investing in a portfolio of mid- and large-cap companies where earnings growth is expected to compound. The research process focuses on identifying companies with sustainable business models that are developed and executed by experienced and shareholder-aligned management teams and which include environmental, social, and governance (ESG) related factors in their assessment of opportunities and risks.

Share Classes

	Ticker	Inception Date	Expense Ratio
Institutional	QAGIX	1/1/18	1.84
Advisor	QUAGX	1/1/18	2.09

Portfolio Managers

Andy Kaufman
Chief Investment Officer
Industry Start Date: 2004
CCM Portfolio Manager Since 2015

Thomas Lott
Portfolio Manager
Industry Start Date: 1999
CCM Portfolio Manager Since 2013

Alex Alario, CFA
Jr. Portfolio Manager
Industry Start Date: 2015
CCM Portfolio Manager Since 2020

Portfolio Commentary

The CCM Core Impact Equity Fund's Institutional Share Class (QAGIX) was up 0.56% during the third quarter of 2021. The S&P 500 was up 0.58% in the quarter as well.

The second quarter witnessed the emergence of the Covid-19 delta variant. That continued well into the third quarter, with U.S. cases peaking in early to mid-September. The rally in technology to record high, arguably bubble valuations continued until cases peaked last month.

Our overweighting in financials, which struggled as rates fell, kept a lid on our returns overall. We remain underweight technology today, only investing in the highest quality names that we deem more geared to an economic recovery.

With savings rates still near all-time highs, and unemployment rates falling, the economic recovery will but only have legs, but also seems to be accelerating. On the negative side, input cost inflation could be far less transitory than the Fed has been suggesting. So, we remain overweight banks, consumer discretionary names, and cyclicals.

Growth stocks have lately been highly correlated to Treasurys, but with the 10-year hovering around 1.50% at the end of the third quarter and inflation expected to exceed 3% this year, we see little in the way of upside from a pure valuation perspective.

We have built a portfolio that we consider high-quality growth, but with a careful eye on valuations. History suggests that companies that generate substantial free cash flow while simultaneously growing earnings per share at above-market rates is a market-beating strategy. Valuations matter and investors who chased growth at high prices in prior bubbles, for example early in the pandemic or in dot-com stocks in 1999, suffered in the ensuing years.

We do remain heavily invested in several of the large-cap technology names, as their moats, profitability, and valuations metrics impress. Overall, our portfolio looks to have similar growth rates in 2022 versus 2021 and yet trade at a 20% discount to the S&P 500. After growth's torrent rally in the third quarter, we are already seeing further declines. We thank all our investors for your support.

Inception date as of January 1, 2018. The funds may experience negative performance. Past performance does not guarantee future results. The fund recently experienced significant negative short-term performance due to market volatility associated with the COVID-19 pandemic.

As of 09/30/2021, the average annual returns for the CCM Core Impact Equity Fund's Institutional Shares for 1-year and since inception were 30.01% and 15.38%.

Performance quoted is past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. An investor's investment return and principal value will fluctuate so that your shares, when redeemed, may be worth more or less than your initial cost. To obtain the most recent month-end performance, call 877-272-1977. Returns over one year are annualized.

*The annual operating expense for the **CCM Core Impact Equity Fund's** Institutional Shares is 1.84% with an Inception Date 01/01/18.*

The top 10 holdings as of 09/30/2021 are: Microsoft Corp (5.73%), Amazon Com Inc (5.38%), Facebook Inc (5.03%), Apple Inc (4.59%), Alphabet Inc (4.16%), Alphabet Inc (4.14%), Fiserv Inc (3.03%), Blackrock Inc (2.96%), Discover Financial Services (2.60%), Signature Bank (2.31%). Holdings are subject to change.

Important Information

There's no guarantee that a strategy will be successful. Mutual fund investing involves risk including the possible loss of principal. Impact/ESG investing is qualitative and subjective by nature. There is no guarantee that Impact/ESG criteria used by the Adviser will reflect beliefs or values of any particular investor. The Adviser may select or exclude securities of certain companies for reasons other than performance and, as a result, the Fund may underperform other funds that do not use an impact/ESG screening process. Impact/ESG investing is qualitative and subjective by nature. There is no guarantee that impact/ESG criteria used by the Adviser will reflect beliefs or values of any particular investor.

Common stock risks include the financial risk or selecting individual companies that do not perform as anticipated, the risk that the stock markets in which the Fund invests may experience periods of turbulence and instability, and the general risk that domestic and global economies may go through period of decline and cyclical change. Recent Market Events Risk – The effects of COVID-19 may lead to a substantial economic downturn or recession in the U.S. and global economies, the recovery from which is uncertain and may last for an extended period of time. As a result of this significant volatility, many of the risks discusses herein associated with an investment in the Fund may be increased.

The S&P 500® Total Return Index is a widely recognized, unmanaged index consisting of the approximately 500 largest companies in the United States as measured by market capitalization. You cannot invest directly in an index.

Consider a fund's investment objectives, risks, charges, and expenses carefully before investing. The Statutory, and where available, the Summary Prospectuses contain this and other important information and are available for download at www.ccminvests.com or by calling 866.202.3573. Read carefully before investing.

Source: Fund data provided by Quaker Investment Trust. CCM is an investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940.

The CCM Funds are distributed by Foreside Fund Services, LLC.

*Effective October 28, 2020 the Fund's name changed from Quaker Impact Growth Fund to CCM Core Impact Equity Fund.