COMMUNITY CAPITAL MANAGEMENT

CCM Small/Mid-Cap Impact Value Fund*

About CCM

Community Capital Management, Inc. (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. For more information, please call 877-272-1977 or visit: www.ccminvests.com.

Firm Assets	$3.6 Billion
Impact and ESG Experience	21 Years
Impact and ESG Initiatives[1]	$11.6 Billion Invested Nationwide

Key Takeaways

- Consumers unleashed their accumulated savings on the services they had been denied in the prior 15 months, leading to a full recovery in U.S. gross domestic product (GDP)
- Despite the rebound in economic growth, interest rates in the 5+ segment of the yield curve declined
- Equities were broadly higher, but in contrast to the first quarter, growth stocks outperformed value and cyclicals amidst questions around the durability of the current growth rate

Market Commentary

Economic recovery was evident in the second quarter of 2021 as states across the U.S. lifted most COVID-19-related restrictions and consumers responded accordingly, unleashing their accumulated savings on the services they had been denied in the prior 15 months. This, combined with record government spending, resulted in the U.S. GDP fully recovering from the COVID-19-decline, and raising the International Monetary Fund's estimate of 2021 U.S. GDP estimate to 6.4%, from the 3.1% estimate six months ago. Between the acceleration in spending and the large number of unfilled jobs, the most hotly debated topic during the quarter was the future direction of inflation and whether the quarter's high level of inflation was "transitory" or here to stay. If interest rate moves were an indicator of inflation expectations, declining rates during the quarter would suggest that the current high inflation rate is temporary, fueled by a rebound in demand from last year's lows. And despite the headwinds of bottlenecks in supply chains, a plateau in the vaccination rate, and new variants of the COVID-19 virus, stock market enthusiasm continued as the S&P 500[2] rose 8.6% during the quarter with total gains now exceeding 75% since hitting the COVID-19-lows of March 2020.

In fixed income, the Bloomberg Barclays U.S. Aggregate Index[3] (the Index) reversed its prior quarter's course and posted a positive return of 1.83%. Despite signs of continued economic growth, yields declined in the 5+ year segment of the U.S. Treasury yield curve, suggesting that the recent impressive economic growth rate may not persist into the future. While most all segments of the Index delivered positive returns, investors favored the riskier segments of the bond market with the BBB segment of the Index increasing by 3.71% vs. the 1.17% return of the AAA segment. Except for mortgage-backed securities (MBS), spreads narrowed across all major segments of the Index, pointing to investor confidence in not only the credit markets but in the continued technical support provided by the Federal Reserve's bond-buying program. While the MBS segment of the Index posted positive returns, spreads widened amidst concern of another round of refinancing in a lower interest rate environment. Longer duration[4] securities posted the best results as yields declined primarily along the 10+ segment of the curve with 10-, 20-, and 30-year Treasury yields declining by 0.29%, 0.31%, and 0.35%, respectively. While the debate around the future level of inflation continues, there is no denying the fact that the inflation-suppressing effects from technology and globalization have been exacerbated since the start of the pandemic. Looking forward, one of the biggest debates is whether the current supply shortages and record-level of government spending are enough to offset this disinflationary structural trend. The continued demand for bonds, despite the increased risk in the bond market, would suggest that inflation and rising rates are not a concern. The duration of the Index at quarter end was at a record high of 6.58 years, and 14.7% of the Index was in the lowest quality BBB securities, a level almost double that of August 2008. With historically low yields, investment-grade corporate bond spread levels reached lows not seen since 2005 and with the ratio of corporate debt to GDP at an all-time high, risk has become an even more important factor in the overall management of a bond portfolio.

In equities, the quarter's gains were once again impressive; however, in contrast to the first quarter, growth stocks led the way and value stocks lagged after their impressive recovery in the prior two quarters. The resiliency of corporate earnings and expectations for continued improvement have been remarkable. While the S&P 500 operating earnings per share growth declined by 22% in 2020, corporate earnings, particularly in the previously beaten-down energy, industrials, and consumer discretionary sectors, have seen sharp rebounds. Despite a subsequent increase in wages, and difficulty in filling open jobs, expectations for S&P 500 corporate profit growth in 2021 now exceeds the levels prior to COVID-19 as companies have found additional ways to become more efficient. Stock valuations across the major market indices remain high given the strong recovery in earnings expectations and appear more reasonable than where they were at the start of the year. However, the dispersion of valuations among stocks remains high. For example, in the S&P 500, the difference in price-to-earnings (PE)[5] multiples between the 20% most expensive and 20% least expensive stocks has grown to a level that far exceeds its 25-year average. We believe the large dispersion creates an opportunity for active investment managers to outperform their benchmarks through security selection. The current market backdrop also favors an equity strategy focused on higher-quality, more resilient companies. Most stocks have fully recovered from their 2020 lows and the persistence of economic growth is no longer a given; companies with profitable growth trajectories that are less tied to the economic cycle should be able to outperform their cyclical counterparts while also providing that desired margin of safety for when tomorrow's expectations fade.

[1]Impact numbers are approximate figures. [2] Stock market index of the 500 largest U.S. publicly traded companies [3]Index measuring U.S. investment grade bond market. [4]Measurement of price's sensitivity to interest rate changes. [5]Ratio between a company's share price to its earnings per share.

Investment Objective

The CCM Small/Mid-Cap Impact Value Fund (the "Fund") seeks to provide long-term growth of capital.

Why Invest

The Fund seeks to provide long-term growth of capital by investing in a concentrated, benchmark-agnostic portfolio of well-researched equities that are trading at valuations that do not reflect their full potential. The determination of value goes beyond just price—it is also a function of a company's fundamentals, which are analyzed along multiple dimensions, including an assessment of its environmental, social, and governance opportunities and risks.

Share Classes

	Ticker	Inception Date	Gross Expense Ratio %	Net Expense Ratio %
Institutional	QSVIX	1/1/18	2.41	1.58
Advisor	QUSVX	1/1/18	2.66	1.83

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
Jr. Portfolio Manager
Industry Start Date: 2015
CCM Portfolio Manager Since 2020

Portfolio Commentary

CCM Small/Mid-Cap Impact Value Fund (QSVIX) was up 3.67% in the second quarter and up 21.6% in the first half of 2021. That compares with the Russell 2000 up 3.97% in the second quarter and 15.6% year to date.

In small- and mid-cap land, the market showed tremendous volatility in the second quarter, despite the seemingly benign returns. The Delta variant of COVID-19 continues to spread, impacting all nations, but hitting emerging markets particularly hard. As such, technology stocks and work-from-home names rallied. The other category of equity outperformance arose from the so-called "Reddit Army." That is, names with high short interest resumed their astronomical stock price increases. Names such as GameStop (GME) and AMC Theatres (AMC) have risen to levels devoid of any valuation rationality. Indeed, there are times in the market when speculative excess leads to low-quality stocks outperforming high-quality stocks.

Given our focus on the latter, best-in-class business models and companies with good balance sheets and profitability, we lagged a bit. Still, in the long run, we anticipate our philosophy of buying compounders, or companies that have a history of market beating earnings per share figures, likely will lead to outsized returns.

Despite the resurgence in COVID-19 cases and the pullback in the "reflation trade," our macro thesis remains intact. We continue to believe that a global recovery is underway. Commodity prices reflect an unmanipulated view of the economic growth picture (as the Federal Reserve continues to distort interest rates via their Quantitative Easing policy). As such, a strong rebound seems likely given near record savings rates, high levels of global stimulus, and pent-up demand that likely continues in the coming months.

We thank all of 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 06/30/2021, the average annual returns for the CCM Small/Mid-Cap Impact Value Fund Institutional Shares for 1-year and since inception were 49.10% and 3.33%.

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 Adviser has contractually agreed to waive all or a portion of its investment advisory fees and/or pay/reimburse expenses for the CCM Small/Mid-Cap Impact Value Fund's Institutional Shares is gross 2.41%, net 1.58% with an inception date of January 1, 2018 (excluding any Rule 12b-1 fees, taxes, interest, acquired fund fees and expenses, short sale dividend and interest expenses, brokerage fees, certain insurance costs, and nonroutine expenses or costs, including, but not limited to, those relating to reorganizations, litigation, conducting shareholder meetings, liquidations and other extraordinary expenses) in order to prevent total annual fund operating expenses from exceeding 1.30% of the Fund's average daily, net assets through October 28, 2021. Pursuant to its expense limitation agreement with the Fund, the Adviser is entitled to recoup any fees that it waived and/or Fund expenses that it paid for a period of three years following such fee waivers and expense payments, to the extent that such recoupment by the Adviser will not cause the Fund to exceed any applicable expense limitation that was in place for the Fund when the fees were waived or expenses were paid. These waivers and reimbursements may be terminated at any time with respect to the Fund by its Board of Trustees upon sixty (60) days' written notice to the Adviser without payment of any penalty and shall automatically terminate upon the termination of the Fund's advisory contract with the Adviser.

The top 10 holdings as of 06/30/2021 are: Enviva Partners LP (6.83%); Fidelity National Financial In (4.37%); W.P. Carey Inc (4.28%); Berry Global Group Inc (3.91%); Timken Co (3.70%); Financial Institutions Inc (3.64%); Raymond James Financial Inc (3.55%); Clearway Energy Inc – Class C (3.52%); Mid-America Apartment Communities Inc (3.51%); Ameriprise Financial Inc (3.37%). 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 Russell 2500® Value Index measures the performance of those Russell 2500 companies with lower price-to-book ratios and lower forecasted growth values. 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 Small/Mid-Cap Impact Value Fund to CCM Small/Mid-Cap Impact Value Fund.