



## **SKBA Capital Management's Baywood SociallyResponsible Fund Featured in Barron's**

Barron's recently wrote a great piece which highlighted **SKBA's Baywood SociallyResponsible Fund**. The article linked below was written by Lauren Foster, dated November 17, 2022.

The article discusses how so many ESG funds are struggling this year due to their concentrated exposure to highly valued technology companies and limited exposure to critical parts of the overall economy.

We have always believed that socially responsible, ESG or sustainable funds were sorely lacking in diversification as over 90% (according to Morningstar) are classified as growth or core. It is one of the reasons we have been managing this strategy for over 20 years, as our clients recognize the importance of diversifying their ESG portfolios with a value investment strategy.

SKBA's President and Director of Research, Josh Rothé, was quoted in the article saying "We are always looking for companies that are unduly beat up," which is somewhat of a mantra here at SKBA Capital Management. For over three decades, we have consistently applied our value investment philosophy even as market cycles and fads come and go. As a result, our strategies have tended to outperform during major market corrections in the past as the companies with the highest valuations tend to fall the most, while also producing competitive returns across the full market cycle. Given that the market has preferred a very narrow set of growth stocks for over a decade, up until last year, we would not be surprised if this turn in the market lasts for a sustained period of time.

We would like to thank our clients, shareholders and partners for your dedication. We are proud of the work we do for you and we remain committed to our Active Value investing approach.

<https://www.barrons.com/articles/best-and-worst-sustainable-funds-51668638595>

- The Team at SKBA

*Net Expense Ratio: 0.89% Gross Expense Ratio: 3.17%. SKBA Capital Management, LLC (the "Advisor") has contractually agreed to waive its fee and/or reimburse Fund expenses to limit Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement (excluding all taxes, interest, portfolio transaction expenses, acquired fund fees and expenses, proxy expenses and extraordinary expenses) to 0.89% through January 31, 2024 ("Expense Cap"). The Expense Cap may only be raised or eliminated with the consent of the Board of Trustees. The Advisor may recoup from a Fund fees waived and expenses reimbursed by the Advisor pursuant to the Expense Cap if such recoupment is made within three years of the fee waiver or expense reimbursement, and does not cause the Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement of a class (after the recoupment has been taken into account) to exceed the lesser of (i) the then-current expense cap, and (ii) the expense cap in place at the time the fees/expenses were waived/ reimbursed.*

*The performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance, please call 1-855-409-2297 or visit the Fund's website at [www.skba.com/baywood-funds](http://www.skba.com/baywood-funds).*

*Mutual fund investing involves risk, principal loss is possible. Socially responsible investment criteria may limit the number of investment opportunities available to the Fund, and as a result, at times the Fund's investment returns may be lower than those funds that are not subject to such investment considerations. A value style is primarily used to select investments for the Fund. This style may fall out of favor, may underperform other styles and may increase the volatility of a Fund's share price.*

*Diversification cannot assure a profit or protect against loss in a declining market.*

*Holdings are subject to change and do not represent a recommendation to buy or sell any security. For a list of current holdings click here [www.skba.com/baywood-funds](http://www.skba.com/baywood-funds).*

*Investors should consider the investment objectives, risks, charges, and expenses carefully before investing. For a prospectus with this and other information about the fund, please call 1-855-409-2297 or click here [www.skba.com/baywood-funds](http://www.skba.com/baywood-funds). Please read the prospectus carefully before investing.*

*Baywood Funds are advised by SKBA Capital Management, LLC and distributed by Foreside Fund Services, LLC.*