Zeo Capital Advisors



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# ZEO SUSTAINABLE CREDIT FUND

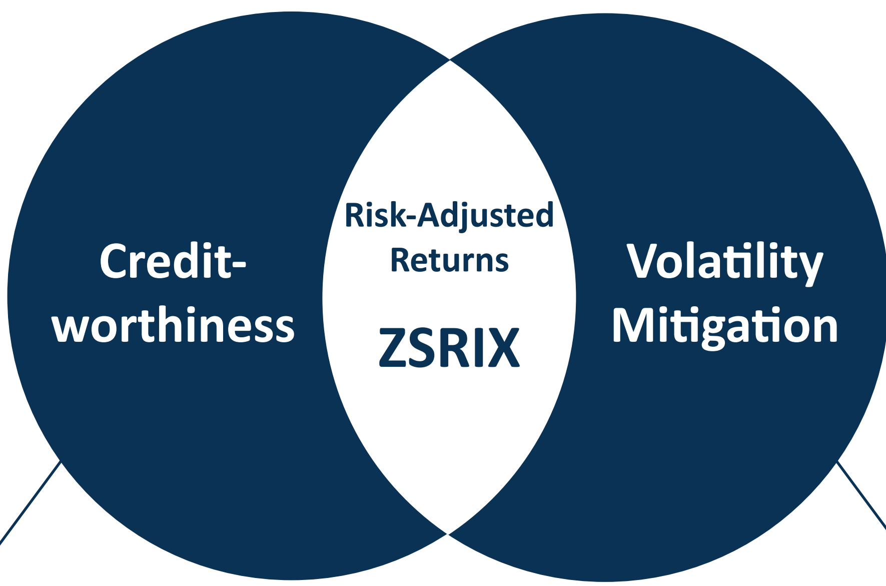
Ticker: ZSRIX

## PERFORMANCE MEETS PROGRESS IN HIGH YIELD

FUNDAMENTAL CREDIT + ESG = **ZSRIX**

Zeo Sustainable Credit Fund

- Sustainability practices can improve financial outcomes
- Implementing ESG factors can reduce volatility catalysts
- ZSRIX seeks both performance and progress




**Repay debt:**
Fundamental credit research
+
intrinsic value

**Minimize surprises:**
Negative screening
+
Sustainability Spectrum™

## ZSRIX AIMS TO SERVE BOTH TRADITIONAL...

**Zeo's approach** to sustainable high yield is grounded in the same rigorous approach to fundamentals we have implemented since the firm was founded in 2009—it all starts with the credit.

**Creditworthiness** comes from a bottom-up, fundamental research effort which places emphasis on both sustainable investing criteria and traditional credit factors, aiming to produce strong risk-reward metrics.

If a company is making decisions which prioritize short-term financial results over longer-term business viability (including ESG implementation), creditworthiness may be compromised even if earnings appear strong. Our approach is designed to comprehensively identify and evaluate the risk factors which are material to an issuer's financial viability, its ability to repay debt and its demonstrated ESG progress.

- **Appropriate leverage**
- **Consistent cash flow generation**
- **Lender protections and covenants**
- **Inherent credit quality**
- **Current debt holders**
- **Liquidity**
- **Management team**
- **ESG transparency and progress**

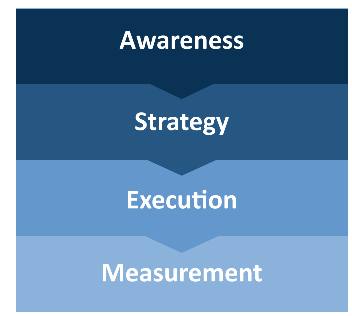
We believe applying both ***fundamental*** and ***sustainable*** analysis to high yield bonds is an overlooked opportunity to generate ***attractive returns*** with ***lower volatility*** than both ***traditional*** broad market strategies and current ***SRI/ESG*** fixed income options.

## ...AND SUSTAINABLE MANDATES

**Volatility Mitigation** is essential to deliver risk-adjusted returns. We seek to avoid companies with significant revenue exposure to certain activities which represent potential downside catalysts or excessive volatility risk (be it systemic, political or headline). We negative screen against companies who derive the majority of revenue from vice industries.

Debt repayment can depend in part on whether management is making deliberate business decisions around the ESG factors most relevant to its operations—not doing so can put both competitive advantage and staying power at risk. So we go beyond negative screening and take a proactive fundamental view of sustainable factors. Within the global high yield debt universe, we evaluate companies on a spectrum of sustainability relative to their industry peers, seeking to invest in companies who are implementing sustainable business practices. A creditworthy issuer may be one with sustainable strength relative to peers or one that is making visible progress toward appropriate sustainable practices.


**Sustainability Spectrum™**




We believe the ***Zeo Sustainable Credit Fund*** gives investors the chance to ***align*** their dollars with companies who are taking conscious ***sustainable actions*** to persevere in the future in a strategy which aims to be ***competitive*** with peers both inside and outside the responsible investing universe.

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## ZEO SUSTAINABLE CREDIT FUND (Ticker: ZSRIX)

| Quarter End: 30 September 2020 | Nav | 1M | 3M | YTD | 1Y | 3Y | 5Y | Since Inception (31 May 2019) |
|---|---|---|---|---|---|---|---|---|
| **Zeo Sustainable Credit Fund (Net)** | 9.39 | 0.45% | 2.14% | -4.23% | -3.75% | n/a | n/a | **-2.06%** |
| **ICE BofA US High Yield Index** | | -1.04% | 4.71% | -0.30% | 2.30% | n/a | n/a | **4.54%** |
| **Bloomberg Barclays Aggregate** | | -0.05% | 0.62% | 6.79% | 6.98% | n/a | n/a | **7.98%** |

**Total Fund Net Assets: $14.4m**

*The performance data quoted represents past performance net of all fees and expenses for the Zeo Sustainable Credit Fund ("the Fund" or "ZSRIX"). Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Past performance is no guarantee of future results. A fund's performance, especially for very short periods of time, should not be the sole factor in making your investment decisions. For performance information current to the most recent month-end, please call toll-free 855-ZEO-FUND.*

*ZSRIX—Total Annual Operating Expense Ratio is 1.25% After Fee Waiver (1.33% total expense before waiver). Zeo contractually agreed to reduce its fees until August 31, 2020, subject to possible recoupment in future years.*

*The Bloomberg Barclays U.S. Aggregate: covers the USD-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes bonds from the Treasury, Government-Related, Corporate, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS sectors. The U.S. Aggregate Index is a component of the U.S. Universal Index in its entirety. Unmanaged index returns do not reflect any fees, expenses or sales charges.*

*ICE BofA High Yield Index: This index tracks performance for the US dollar-denominated below investment-grade rated corporate debt publicly issued in the US domestic market.*

*Investment Objective: The Fund seeks risk-adjusted returns consisting of income and moderate capital appreciation.*

***Important Risk Information***

***Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 855-ZEO-FUND. The prospectus should be read carefully before investing. The Fund are distributed by Northern Lights Distributors, LLC member FINRA/SIPC. Zeo Capital Advisors, LLC and Northern Lights Distributors, LLC are not affiliated.***

*Mutual Funds involve risk including possible loss of principal. The Fund is an actively managed dynamic portfolio. There is no guarantee the Fund will achieve its objectives, goals, generate positive returns, or avoid losses. The Fund can invest a percentage of assets in derivatives, such as futures and options contracts. The use of such derivatives may expose the Fund to additional risks that they would not be subject to if it invested directly in the securities and commodities underlying those derivatives. The Fund may experience losses that exceed losses experienced by funds that do not use futures contracts and options.*

*Typically, a rise in interest rates causes a decline in the value of fixed income securities. Overall fixed income market risk may affect the value of individual instruments in which the Fund invests. Lower-quality fixed income securities, known as "high yield" or "junk" bonds, present greater risk than bonds of higher quality, including an increased risk of default. As a non-diversified fund, the Fund may invest more than 5% of its total assets in the securities of one or more issuers. The Fund's performance may be more sensitive to any single economic, business, political or regulatory occurrence than the value of shares of a diversified investment company. Securities of small and medium capitalization companies may be subject to more abrupt or erratic market movements than those of larger, more established companies or the market averages in general. Market risk results from adverse changes in exchange rates in foreign currency denominated securities. Investing in securities of foreign issuers involves risks not typically associated with U.S. investments, including adverse fluctuations in foreign currency exchange rates, adverse political, social and economic developments, less liquidity, greater volatility, less developed or less efficient trading markets, political instability and differing auditing and legal standards.*

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