

Portfolio Management

Nathan J. Rowader
Senior Portfolio Manager
20 Years Experience

Roberto M. Croce, Ph.D.
Managing Director, Quantitative Strategies
11 Years Experience

Fund Details

Share Class	Ticker	CUSIP
Investor	ACSIX	349913368
Institutional	ASMCX	349913376

Advisor: Forward Management, LLC

Category: Large Blend

Benchmark: S&P 500 Index

Dividend Frequency: Annually

Annual Portfolio Turnover: 196%

Net Assets: \$20.50M

Fund Terms

Minimum Investment: \$2,500

Management Fee: 0.50%

Liquidity: Daily

Expense Ratio

Share Class	Inception Date	Gross	Net
Investor	06/24/98	1.81	1.36
Institutional	08/24/92	1.36	0.91

Objective

The fund seeks capital growth.

Overview

The strategy seeks to outperform the U.S. equity market (S&P 500 Index) using a top-down approach to portfolio construction by allocating to sectors or industries that are exhibiting the highest level of total return and/or attractive valuations and aims to maintain a constant level of portfolio risk in all market environments.

- The fund uses value and momentum signals to select equity sectors and industries, aiming to add excess return by choosing those sectors or industries that are expected to perform better than the S&P 500.
- The team forecasts volatility and correlation using a methodology executed across all of Salient's quantitative strategies, with the aim of maintaining a constant level of volatility similar to the long-run volatility of the S&P 500. The constant level of volatility is expected to add excess return by increasing overall portfolio risk during periods of low market risk and reducing overall portfolio risk in periods of high market risk.

Performance (%)

	Q2	YTD	1 YR	3 YR	5 YR	10 YR	Since Inception
Investor	2.48	2.45	18.54	10.58	12.18	9.02	6.39
Institutional	2.55	2.66	19.07	11.04	12.63	9.47	10.00
S&P 500 Index	3.43	2.65	14.37	11.93	13.42	10.17	—

Returns for periods greater than one year are annualized. Performance figures and other portfolio data shown for periods prior to September 20, 2010, do not reflect the current manager's performance or strategy. Effective January 4, 2016, the principal investment strategies and benchmark of Salient Adaptive US Equity Fund were changed. Prior to January 4, 2016, the fund's benchmark was Russell 3000 Index.

Under an expense limitation agreement, the investment advisor has contractually agreed to waive its management fee and/or reimburse or pay operating expenses of the fund to the extent necessary to maintain the fund's total operating expenses at 1.25% for Investor Class and 0.80% for Institutional Class shares, excluding certain expenses, such as taxes, brokerage commissions, interest, short dividend expense, any acquired fund fees and expenses, litigation and extraordinary expenses. This expense limitation agreement expires on April 30, 2019, and may

only be modified or terminated by a majority vote of the independent trustees. The advisor is permitted to recover waived expenses for a period of up to three years.

The performance quoted represents past performance, does not guarantee future results and current performance may be lower or higher than the data quoted. The investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Performance data current to the most recent month-end may be obtained at www.salientfunds.com. Investment performance may reflect fee waivers in effect. In the absence of fee waivers, total return would be lower. Total return is based on NAV, assuming reinvestment of all distributions. Performance does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

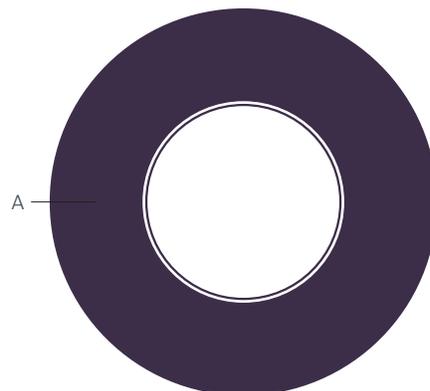
Salient Adaptive US Equity Fund

Risk Characteristics

	Fund	Benchmark
Beta	1.06	1.00
Correlation	0.85	1.00
Standard Deviation	17.32	14.04

Asset Allocation (ex-cash)

A Futures Contracts
100.00%



These allocations may not reflect the current or future positions in the portfolio. Percentages may not add to 100% due to rounding.

Growth of 10K



You should consider the investment objectives, risks, charges and expenses of the Salient Funds carefully before investing. A prospectus with this and other information may be obtained by calling 800-999-6809 or by downloading one from www.salientfunds.com. It should be read carefully before investing.

RISKS

There are risks involved with investing, including loss of principal. Past performance does not guarantee future results, share prices will fluctuate and you may have a gain or loss when you redeem shares. Borrowing for investment purposes creates leverage, which can increase the risk and volatility of a fund. Derivative instruments involve risks different from those associated with investing directly in securities and may cause, among other things, increased volatility and transaction costs or a fund to lose more

than the amount invested.

Investing in exchange-traded funds (ETFs) will subject a fund to substantially the same risks as those associated with the direct ownership of the securities or other property held by the ETFs. Investing in smaller companies generally will present greater investment risks, including greater price volatility, greater sensitivity to changing economic conditions and less liquidity than investing in larger, more mature companies.

S&P 500 Index is an unmanaged index of 500 common stocks chosen to reflect the industries in the U.S. economy. One cannot invest directly in an index.

Beta is a measure of risk that shows a fund's volatility relative to its benchmark index.

Correlation is a statistical measure of the interdependence of two random variables that range in value from -1 to +1, indicating perfect negative correlation at -1, absence of

correlation at zero and perfect positive correlation at +1. Standard deviation measures the degree to which a fund's return varies from its previous returns or from the average of all similar funds.

Valuation is the process of determining the current worth of an asset or company.

Volatility is a statistical measure of the dispersion of returns for a given security or market index.

Nathan J. Rowader is a registered representative of ALPS Distributors, Inc.

Salient is the trade name for Salient Partners, L.P., which together with its subsidiaries provides asset management and advisory services.

Forward Management (d/b/a Salient) is the investment advisor to the Salient Funds.

The Salient Funds offered under the Forward Funds Trust are distributed by Forward Securities, LLC.

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