Performance Commentary - First Quarter 2017

Domini Impact International Equity Fund℠
Institutional Shares

The Fund invests primarily in mid- to large-cap equities across Europe, the Asia-Pacific region, and throughout the rest of the world. It is managed through a two-step process designed to capitalize on the strengths of Domini Impact Investments and Wellington Management Company, the Fund's subadvisor. Domini creates an approved list of companies based on its social, environmental and governance analysis, and Wellington seeks to add value and manage risk through a systematic and disciplined portfolio construction process.

Total Returns as of March 31, 2017	Jan 2017	Feb 2017	Mar 2017	First Quarter 2017	Year to Date	One Year	Three Year*†	Five Year*†	Ten Year*†	Since Inception (12/27/06)*†
DOMOX	4.08%	2.09%	2.94%	9.39%	9.39%	11.80%	3.86%	8.91%	1.12%	1.41%
MSCI EAFE	2.91%	1.45%	2.87%	7.39%	7.39%	12.25%	0.96%	6.32%	1.53%	1.99%

MARKET OVERVIEW

For the first quarter of 2017, the MSCI EAFE Index returned 7.4%, as international equities gained amid increasing optimism for global economic growth. Robust economic indicators helped to drive stocks higher, despite escalating European political risks and concerns over the new US administration's protectionist trade agenda.

Following the unexpected results of last year's EU membership referendum in the UK and the presidential election in the US, anti-establishment and anti-globalization sentiment continued to gain traction. A primary source of anxiety was the upcoming presidential election in France, where far-right National Front candidate, Marine Le Pen—who is running on a populist, anti-immigration platform—gained in polling after the former frontrunner, conservative Republican candidate François Fillon, became embroiled in a financial misconduct scandal. Le Pen has promised that, if she is elected, France will renegotiate its EU membership and hold its own referendum within the first six months of her presidency. Meanwhile, British Prime Minister Theresa May triggered Article 50, formally beginning the two-year Brexit process. In Italy, political turmoil in the wake of December's resignation of Prime Minister Matteo Renzi, and his subsequent resignation as party leader—both stemming for an overwhelming constitutional referendum defeat—threatened to tear apart the ruling Democratic Party, increasing anxiety over the emergence of the populist, anti-establishment Five-Star Movement that has become its primary opposition in Parliament.

Despite the political upheaval across Europe, economic growth looked solid across sectors and countries. The composite purchasing managers' index (PMI) for Europe rose to its best reading in almost six years, and eurozone economic confidence improved to its highest level since 2011. In the UK, manufacturing growth slowed and industrial output declined, but the unemployment rate fell to its lowest level since 1975, and inflation broke above the Bank of England's 2% target, owing to rising food and fuel prices. Despite the uptick in headline inflation, both the Bank of England and the European Central Bank reiterated that they would not increase interest rates for the time being.

Even as the yen strengthened, the Bank of Japan also recommitted to accommodative monetary policy, as inflation remained below its 2% target. Although, the fourth quarter marked the third straight quarter of accelerating GDP growth, Japanese equities lagged gains in the rest of the Asia-Pacific region. Hong Kong and Singapore outperformed, as exports rose and real GDP growth accelerated in both countries.

Emerging market equities, led by Asia, delivered their strongest quarterly return in five years, shrugging off fears of protectionism, trade wars, and a slowdown in China.

FUND PERFORMANCE

For the quarter, the Fund's Institutional shares returned 9.39%, outperforming the MSCI EAFE Index return of 7.39%. Security selection was the largest driver of outperformance, led by strong selection in the Information Technology, Materials, Real Estate, Industrials, and Consumer Discretionary sectors. Sector allocation also made a positive contribution, benefitting from an underweight to Energy and an overweight to Information Technology.

(continued on next page)

**Average annual total returns.*
†Institutional shares were not offered prior to 11/30/12. All performance information for time periods beginning prior to 11/30/12 is the performance of the Investor shares. This performance has not been adjusted to reflect the lower expenses of the Institutional shares.

Past performance is no guarantee of future results. The Fund's returns quoted above represent past performance after all expenses. Investment return, principal value, and yield will fluctuate. Your shares, when redeemed, may be worth more or less than their original cost. Call 1-800-762-6814 or visit *www.domini.com* for performance information current to the most recent month-end, which may be lower or higher than the performance data quoted. A 2.00% fee applies on sales/exchanges made less than 30 days after purchase/exchange, with certain exceptions.

Expense Ratio – Gross / Net: 1.10% (Per current prospectus. Domini has contractually agreed to cap Institutional share expenses to not exceed 1.27% until 11/30/17, subject to earlier modification by the Fund's Board of Trustees. See prospectus for details.)

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Security selection was particularly strong in Europe—with strong selection in Norway, France and Sweden slightly offset by weaker selection in the Netherlands—as well as in Japan and Hong Kong. Relative performance also benefitted from the Fund's out-of-benchmark emerging-market positions.

The top contributor to relative performance was Norwegian aluminum company **Norsk Hydro**, which returned more than 21% for the quarter. The company's Bauxite & Alumina benefitted from higher prices, and global aluminum valuation remains strong.

Two Hong Kong real estate companies, **Wheelock** and **Wharf**, were among the Fund's other top contributors this quarter, gaining more than 40% and 32%, respectively. The stocks were up on an ongoing strategic review of Wharf's intellectual property assets, which Wheelock owns 61.6% of, as they could unlock a significant amount of value for the entire group. 86% of Wheelock's gross asset value comes from Wharf.

Another top contributor was French car manufacturer **Peugeot**, which rose 23.5% after terms of acquisition for Opel and Vauxhall, which it is acquiring from General Motors, were more favorable than expected, as they did not include associated liabilities. The acquisition will increase Peugeot's size by 50%. New car models set to launch this year in Europe and China are expected to generate significant commercial momentum.

TOP RELATIVE CONTRIBUTORS AND DETRACTORS

CONTRIBUTORS

Company	*Sector*	*Stock Return**
Norsk Hydro ASA	Materials	21.10 %
Wheelock & Co., Ltd.	Real Estate	40.35
Wharf Holdings, Ltd.	Real Estate	32.06
Peugeot S.A.	Consumer Discretionary	23.52
Royal Dutch Shell plc**	Energy	- 4.05

DETRACTORS

Company	*Sector*	*Stock Return**
Kingfisher plc	Consumer Discretionary	- 5.79 %
Nissan Motor Co., Ltd.	Consumer Discretionary	- 2.33
Swiss Re AG	Financials	- 5.35
Royal Mail plc	Industrials	- 6.93
Mitsui Fudosan Co., Ltd.	Real Estate	- 7.53

*Represents return for period in the Fund's Portfolio or return for the entire period if not held.
**Not held in the Portfolio.

The Fund also benefitted this quarter from not owning benchmark holding **Royal Dutch Shell**, which declined 4%. The British-Dutch multinational oil and gas company is not approved for the Domini Funds.

The largest detractor from relative performance was British home-improvement retailer **Kingfisher**, which declined almost 6% after reporting weaker sales in the UK and France, attributed to the uncertain political environment stemming from Brexit and the upcoming French elections.

The other largest detractors included Japanese car manufacturer **Nissan**, which declined more than 2% after a report that its CEO may be involved in alleged fraudulent emissions tests conducted by Renault, which owns a 44% stake in Nissan; reinsurance company **Swiss Re**, which declined more than 5% after reporting a decline in fourth-quarter profit attributed to losses from natural disasters, including wildfires in Canada, the earthquake in New Zealand, and Hurricane Matthew in the US; UK postal service company **Royal Mail**, which dropped almost 7% after reporting a sharp drop in letter deliveries during the holiday season, for which it blamed a reduction in junk mail and circulars; and Japanese real estate company **Mitsui Fudosan**, which fell 7.5%.