

**Domini Investment Trust**  
**Supplement dated February 3, 2025**  
**to the Prospectus and Statement of Additional Information,**  
**each dated November 30, 2024,**  
**regarding**  
**Domini International Opportunities Fund<sup>SM</sup>**  
Investor shares (Ticker Symbol: RISEX)  
Institutional shares (Ticker Symbol: LEADX)

*This Supplement provides new and additional information beyond that contained in the Prospectus (“Prospectus”) and Statement of Additional Information (“SAI”) for the Domini International Opportunities Fund (the “Fund”) and should be read in conjunction with the Prospectus and SAI. This Supplement supersedes any information to the contrary in the Prospectus and SAI. For more information or to obtain a copy of the Fund’s Prospectus or SAI, free of charge, please visit [domini.com/funddocuments](http://domini.com/funddocuments) or call the Fund toll free at 1-800-582-6757.*

The Board of Trustees of the Fund have authorized the liquidation of the Fund. It is anticipated that the Fund will be liquidated on or about March 21, 2025 (the “Liquidation Date”). The Fund will discontinue accepting requests to purchase shares or process exchanges into the Fund effective as of February 3, 2025.

Prior to the Fund’s liquidation, all or a substantial portion of the Fund’s assets may be invested in cash, cash equivalents, and debt securities with remaining maturities of less than one year. When invested in such instruments in anticipation of the liquidation, the Fund may not be able to achieve its investment objectives.

Shareholders may redeem their shares any time prior to the Liquidation Date. Shareholders may also exchange their shares of the Fund for the same class of shares of other available Domini Funds any time prior to the Liquidation Date.

Any shares of the Fund outstanding on the Liquidation Date will be redeemed automatically as of the close of business on the Liquidation Date. The proceeds of any such redemption will be equal to the net asset value of such shares after the Fund has paid or provided for all of its charges, taxes, expenses and liabilities. Any liquidating distribution due to the Fund’s shareholders will be distributed by the mailing of a check to each such person at such person’s address of record.

The liquidation of the Fund may result in income tax liabilities for the Fund’s shareholders. The automatic redemption of the Fund’s shares on the Liquidation Date will generally be treated as any other redemption of shares, i.e., as a sale that may result in a gain or loss for federal income tax purposes. Consult your tax adviser regarding the tax implications of a redemption or exchange of your shares in light of your particular circumstances.

*After the Liquidation Date all references and information related to the Fund in the Prospectus and SAI are hereby deleted in their entirety.*

**PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.**

# STATEMENT OF ADDITIONAL INFORMATION

NOVEMBER 30, 2024

## **DOMINI IMPACT EQUITY FUND<sup>SM</sup>**

INVESTOR SHARES (DSEFX), CLASS Y SHARES (DSFRX) AND INSTITUTIONAL SHARES (DIEQX)

## **DOMINI INTERNATIONAL OPPORTUNITIES FUND<sup>SM</sup>**

INVESTOR SHARES (RISEX) AND INSTITUTIONAL SHARES (LEADX)

## **DOMINI SUSTAINABLE SOLUTIONS FUND<sup>SM</sup>**

INVESTOR SHARES (CAREX) AND INSTITUTIONAL SHARES (LIFEX)

## **DOMINI IMPACT INTERNATIONAL EQUITY FUND<sup>SM</sup>**

INVESTOR SHARES (DOMIX), INSTITUTIONAL SHARES (DOMOX) AND CLASS Y SHARES (DOMYX)

## **DOMINI IMPACT BOND FUND<sup>SM</sup>**

INVESTOR SHARES (DSBFX), INSTITUTIONAL SHARES (DSBIX) AND CLASS Y SHARES (DSBYX)

(each a “Fund” and collectively the “Funds”)

This Statement of Additional Information (“SAI”) sets forth information that may be of interest to investors but that is not necessarily included in the Funds’ Prospectus dated November 30, 2024, as amended from time to time. This Statement of Additional Information should be read in conjunction with the Prospectus. This SAI incorporates by reference each Fund’s financial statements for the fiscal year ended July 31, 2024 relating to the Funds. An investor may obtain copies of the Funds’ Prospectus, Annual Report and financial statements without charge from Domini Impact Investments by calling 1-800-582-6757 or online at [www.domini.com/funddocuments](http://www.domini.com/funddocuments).

This Statement of Additional Information is NOT a prospectus and is authorized for distribution to prospective investors only if preceded or accompanied by an effective prospectus and should be read only in conjunction with such prospectus. References in this Statement of Additional Information to the “Prospectus” are to the current Prospectus of the Funds, as amended or supplemented from time to time.

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## 1. THE FUNDS

The Domini Impact Equity Fund (formerly the Domini Social Equity Fund) (the “Equity Fund”), the Domini International Opportunities Fund (the “International Opportunities Fund”), the Domini Sustainable Solutions Fund (the “Sustainable Solutions Fund”), the Domini Impact International Equity Fund (formerly the Domini International Social Equity Fund) (the “International Equity Fund”), and the Domini Impact Bond Fund (formerly the Domini Social Bond Fund) (the “Bond Fund,” and collectively with the Equity Fund, International Opportunities Fund, Sustainable Solutions Fund, and International Equity Fund, the “Funds”) are each diversified, open-end management investment companies. Each Fund is a series of shares of beneficial interest of Domini Investment Trust (the “Trust”), which was organized as a business trust under the laws of the Commonwealth of Massachusetts on June 7, 1989, and commenced operations on June 3, 1991. Prior to November 30, 2016, the name of the Trust was the Domini Social Investment Trust. Prior to January 20, 2000, the name of the Trust was “Domini Social Equity Fund.” Prior to November 27, 2009, the name of the International Equity Fund was “Domini European PacAsia Social Equity Fund.” Each Fund offers to buy back (redeem) its shares from its shareholders at any time at net asset value.

The Equity Fund, International Opportunities Fund, Sustainable Solutions Fund, and International Equity Fund are each referred to herein as a “Stock Fund” and, collectively, as the “Stock Funds.”

### *Information Concerning Reorganizations and Fund Structure*

Prior to November 28, 2008, the Equity Fund and International Equity Fund each invested all of its respective assets in a corresponding series of the Domini Social Trust (each a “Master Fund”) that invested directly in securities. This investment structure is referred to as a “master-feeder” structure. The Board of Trustees of the Trust approved the withdrawal of each Stock Fund’s investment from its corresponding Master Fund and the direct investment in securities by each Stock Fund. There was no change to any Stock Fund’s portfolio of investments, advisory or portfolio management personnel, or any services provided to a Fund or its shareholders, and there was no change to any Stock Fund’s management or submanagement fees as a result of this change to the Stock Funds’ investment structure.

### *Sponsor, Investment Adviser, and Subadviser*

Domini Impact Investments LLC (formerly Domini Social Investments LLC) (“Domini” or the “Adviser”) is the Funds’ sponsor. Domini provides investment advisory and administrative services to the Funds. The Board of Trustees provides broad supervision over the affairs of each Fund. Shares of each Fund are continuously sold by DSIL Investment Services LLC, the Funds’ distributor (“DSILD” or the “Distributor”). An investor should obtain from Domini, and should read in conjunction with the Prospectus, the materials describing the procedures under which Fund shares may be purchased and redeemed.

SSGA Funds Management, Inc. (“SSGA FM” or the “Subadviser”) is the investment subadviser for the Equity Fund, International Opportunities Fund, and Sustainable Solutions Fund. Wellington Management served as the Equity Fund’s subadviser from November 30, 2006, through November 30, 2018. Prior to November 30, 2006, SSGA FM subadvised the Equity Fund under a passive index strategy.

Wellington Management Company LLP (“Wellington Management”) is the investment subadviser for the International Equity Fund and the Bond Fund. Wellington Management has served as the International Equity Fund’s subadviser since the Fund’s inception.

Seix Investment Advisors LLC (and its predecessors) served as the Bond Fund’s subadviser from March 1, 2005, through January 6, 2015.

### *Share Classes*

The Equity Fund offers three classes of shares: Investor shares, Institutional shares, and Class Y shares (prior to November 30, 2020, Class Y shares of the Equity Fund were known as Class R shares). The International Opportunities Fund and Sustainable Solutions Fund offer two classes of shares: Investor shares and Institutional shares. The International Equity Fund offers Investor shares, Institutional shares and Class Y shares, and the Bond Fund offers Investor shares, Institutional shares and Class Y shares as of the date of this Statement of Additional Information.

The Investor shares have each adopted a Rule 12b-1 plan that allows the class to pay distribution fees for the sale and distribution of its shares and for providing services to shareholders.

Class Y shares are generally available only to omnibus accounts held on the books of the Fund for financial intermediaries other entities that have been approved by the distributor. Class Y shares are also available to endowments, foundations, religious organizations, and other- tax-exempt entities, as well as, certain eligible retirement plans, including 401(k) plans, 457 plans, profit

sharing and money purchase pension plans, defined benefit plans, and nonqualified deferred compensation plans. The sponsors of these retirement plans provide various shareholder services to the accounts.

## 2. INVESTMENT INFORMATION

### INVESTMENT OBJECTIVES AND PRINCIPAL INVESTMENT STRATEGIES

The **Equity Fund**'s objective is to seek to provide its shareholders with long-term total return. The Fund may invest in equity securities of companies of any market capitalization, but under normal circumstances, the Fund primarily invests in mid- and large-capitalization U.S. companies. Under normal circumstances, at least 80% of the Fund's net assets (plus the amount of borrowings, if any, for investment purposes) will be invested in equity securities and related investments with similar economic characteristics, including derivative instruments such as futures and options. The Fund may also invest in companies organized or traded outside the U.S.

The **International Opportunities Fund**'s objective is to seek to provide its shareholders with long-term total return. The Fund may invest in equity securities issued by companies of any market capitalization located throughout the world, but under normal circumstances, will invest primarily in securities of mid- and large-capitalization companies tied economically to developed market countries throughout the world, other than the U.S. and Canada. For purposes of the Fund's investment policies, equity securities include common stocks, depositary receipts, warrants, rights and preferred shares. Under normal circumstances, the Fund's investments will be tied economically to at least 10 different countries, other than the U.S. and Canada but not more than 15% of the Fund's net assets will be invested in securities of issuers tied economically to the U.S., Canada, and emerging markets.

The Fund may have significant exposure to any region, country or sector at any time.

The **Sustainable Solutions Fund**'s objective is to seek to provide its shareholders with long-term total return. The Fund may invest in equity securities issued by companies of any market capitalization located throughout the world. For purposes of the Fund's investment policies, equity securities include common stocks, depositary receipts, warrants, rights, and preferred shares. The Fund's investments are not constrained by benchmark weightings in regions, countries, or sectors. Under normal circumstances, the Fund invests at least 80% of its net assets (plus the amount of borrowings, if any, for investment purposes) in securities of companies that demonstrate a commitment to sustainability solutions. The Fund may have significant exposure to any region, country or sector at any time. The Fund may invest in fewer than 50 securities.

The **International Equity Fund**'s objective is to seek to provide its shareholders with long-term total return. The Fund may invest in equity securities of companies of any market capitalization located in Europe, the Asia-Pacific region, and throughout the rest of the world, but under normal circumstances, the Fund primarily invests in mid- and large-capitalization companies tied economically to developed market countries located in Europe, the Asia-Pacific region, and throughout the rest of the world. The Fund's investments will normally be tied economically to at least 10 different countries other than the U.S. and at least 40% of the Fund's assets will be invested in companies tied economically to countries outside the U.S. Under normal circumstances, at least 80% of the Fund's net assets (plus the amount of borrowings, if any, for investment purposes) will be invested in equity securities and related investments with similar economic characteristics, including derivative instruments such as futures and options. The Fund may invest up to 10% of its assets in securities of issuers tied economically to emerging market countries.

The **Bond Fund**'s objective is to seek to provide its shareholders with a high level of current income and total return. Under normal circumstances, the Fund invests at least 80% of its assets in investment-grade securities and maintains an effective duration within two years (plus or minus) of the portfolio duration of the securities comprising the Bloomberg U.S. Aggregate Bond Index as calculated by the Subadviser. Under normal circumstances, at least 80% of the Fund's net assets (plus the amount of borrowings, if any, for investment purposes) will be invested in bonds, including government and corporate bonds, mortgage-backed and asset-backed securities, non-U.S. dollar-denominated bonds, and U.S. dollar-denominated bonds issued by non-U.S. entities. The Fund's investments in bonds also may include floating and variable rate loans and municipal securities. A significant portion of the Fund's assets may be invested in securities issued by government-sponsored entities such as Freddie Mac, Fannie Mae, and the Federal Home Loan Banks. A significant portion of the Fund's assets may also be invested in "to be announced" securities, including mortgage dollar roll, when-issued, delayed delivery and forward commitment securities. A "to be announced" transaction is a method of trading mortgage-backed securities where the buyer and seller agree upon general trade parameters such as agency, settlement date, par amount, and price at the time the contract is entered into but the mortgage-backed securities are delivered in the future, generally 30 days later. The Fund may invest up to 20% of its net assets in below investment grade debt securities (sometimes referred to as "junk bonds") or, if unrated, of equivalent credit quality as determined by the Subadviser. The Fund may invest in privately issued mortgage-backed and asset-backed securities. The Fund may invest in securities that are in default and illiquid securities. The Fund's investments may change significantly from time to time based on current market conditions and investment eligibility determinations.

The investment objective of a Fund may be changed without the approval of that Fund's shareholders, but not without written notice thereof to shareholders 30 days prior to implementing the change. If there is a change in a Fund's investment objective, shareholders of that Fund should consider whether the Fund remains an appropriate investment in light of their financial positions and needs. There can, of course, be no assurance that the investment objective of any Fund will be achieved.

Each Fund's investment strategies and policies may be changed from time to time without shareholder approval, unless specifically stated otherwise in the Prospectus or in this SAI.

## **INVESTMENT POLICIES**

The following supplements the information concerning the Funds' investment policies contained in the Prospectus and should only be read in conjunction therewith.

### **EQUITY FUND, INTERNATIONAL OPPORTUNITIES FUND, SUSTAINABLE SOLUTIONS FUND AND INTERNATIONAL EQUITY FUND (EACH A "STOCK FUND" AND COLLECTIVELY THE "STOCK FUNDS")**

#### **Common Stock**

Each Stock Fund may invest in common stocks. Common stocks are shares of a corporation or other entity that entitle the holder to a pro rata share of the profits of the corporation, if any, without preference over any other shareholder or class of shareholders, including holders of the entity's preferred stock and other senior equity. Common stock usually carries with it the right to vote and frequently an exclusive right to do so. Common stocks do not represent an obligation of the issuer, and do not offer the degree of protection of debt securities. The issuance of debt securities or preferred stock by an issuer will create prior claims that could adversely affect the rights of holders of common stock with respect to the assets of the issuer upon liquidation or bankruptcy.

#### **Preferred Stock**

Each Stock Fund may invest in preferred stocks. Preferred stocks, like common stocks, represent an equity ownership in an issuer, but generally have a priority claim over common stocks, but not over debt, with respect to dividend payments and upon the liquidation or bankruptcy of the issuer. Therefore, preferred stock is subject to the credit risk of the issuer, but because of its subordinate position to debt obligations of the issuer, the deterioration of the credit of an issuer is likely to cause greater decreases in the value of preferred stock than in more senior debt obligations. The market value of preferred stocks with no conversion rights and fixed dividend rates, like fixed-income securities, tends to move inversely with interest rates, with the price determined by the dividend rate. However, because most preferred stocks do not have a fixed maturity date (although they may have call features giving the issuer the right to call the securities under certain circumstances or redemption features giving the holder the right to cause the issuer to repurchase the securities under certain circumstances), these securities generally will fluctuate more in value when interest rates change than, for example, debt issued by the same issuer. Some preferred stocks may pay dividends at an adjustable rate, based on an auction, an index, or other formula. In the absence of credit deterioration, adjustable-rate preferred stocks tend to have less price volatility than fixed-rate preferred stocks.

Unlike common stocks, preferred stocks do not typically have voting rights. Some preferred stocks have convertible features.

#### **Warrants**

Each Fund may invest in warrants. Warrants are securities that permit, but do not obligate, their holder to subscribe for other securities. Warrants are subject to the same market risks as stocks, but may be more volatile in price. Warrants do not carry the right to dividends or voting rights with respect to their underlying securities, and they do not represent any rights in assets of the issuer. An investment in warrants may be considered speculative. In addition, the value of a warrant does not necessarily change with the value of the underlying securities and a warrant ceases to have value if it is not exercised prior to its expiration date.

#### **Smaller Market Capitalization Companies**

Investments in companies with smaller market capitalizations, including companies generally considered to be small-capitalization issuers and medium-sized companies, may involve greater risks and volatility than investments in larger companies. Companies with smaller market capitalizations may be at an earlier stage of development, may be subject to greater business risks, may have limited product lines, limited financial resources, and less depth in management than more established companies. In addition, these companies may have difficulty withstanding competition from larger, more established companies in their industries. The securities of companies with smaller market capitalizations may be thinly traded (and therefore have to be sold at a discount from current market prices or sold in small lots over an extended period of time), may be followed by fewer investment research analysts, and may be

subject to wider price swings and thus may create a greater chance of loss than investing in securities of larger-capitalization companies. In addition, transaction costs in smaller-capitalization stocks may be higher than those of larger-capitalization companies.

### Exchange-Traded Funds

Each Stock Fund may purchase shares of exchange-traded funds (ETFs). Typically, a Stock Fund would purchase ETF shares for the same reason it would purchase (and as an alternative to purchasing) futures contracts: to obtain exposure to all or a portion of the stock or bond market. ETF shares enjoy several advantages over futures. Depending on the market, the holding period, and other factors, ETF shares can be less costly and more tax-efficient than futures. In addition, ETF shares can be purchased for smaller sums, offer exposure to market sectors and styles for which there is no suitable or liquid futures contract, and do not involve leverage.

Most ETFs are investment companies. Therefore, a Stock Fund's purchases of ETF shares generally are subject to the limitations on, and the risks of, a Fund's investments in other investment companies, which are described below under the heading "Investment Company Securities."

An investment in an ETF generally presents the same primary risks as an investment in a conventional fund (i.e., one that is not exchange-traded) that has the same investment objective, strategies, and policies. The price of an ETF can fluctuate within a wide range, and a Fund could lose money investing in an ETF if the prices of the securities owned by the ETF go down. In addition, ETFs are subject to the following risks that do not apply to conventional funds: (1) the market price of the ETF's shares may trade at a discount to their net asset value; (2) an active trading market for an ETF's shares may not develop or be maintained; or (3) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally.

Domini applies its environmental and social standards to an ETF when determining if the ETF is eligible for investment by a Fund.

### Equity Swaps and Related Transactions

Each Stock Fund may enter into equity swaps and may purchase or sell (i.e., write) equity caps, floors, and collars. Each Stock Fund expects to enter into these transactions in order to hedge against either a decline in the value of the securities included in the Stock Fund's portfolio or against an increase in the price of the securities that it plans to purchase, in order to preserve or maintain a return or spread on a particular investment or portion of its portfolio or to achieve a particular return on cash balances, or in order to increase income or gain. Equity swaps involve the exchange by a Stock Fund with another party of their respective commitments to make or receive payments based on a notional principal amount. The purchase of an equity cap entitles the purchaser, to the extent that a specified index exceeds a predetermined level, to receive payments on a contractually based principal amount from the party selling the equity cap. The purchase of an equity floor entitles the purchaser, to the extent that a specified index falls below a predetermined rate, to receive payments on a contractually based principal amount from the party selling the equity floor. A collar is a combination of a cap and a floor, which preserves a certain return within a predetermined range of values.

Each Stock Fund may enter into equity swaps, caps, floors, and collars on either an asset-based or liability-based basis, depending on whether it is hedging its assets or its liabilities, and will usually enter into equity swaps on a net basis (i.e., the two payment streams are netted out), with the Stock Fund receiving or paying, as the case may be, only the net amount of the two payments. A Stock Fund will only enter into equity swap, cap, floor, or collar transactions with counterparties the Subadviser deems to be creditworthy. The Subadviser will monitor the creditworthiness of counterparties to its equity swap, cap, floor, and collar transactions on an ongoing basis. If there is a default by the other party to such a transaction, the Stock Fund will have contractual remedies pursuant to the agreements related to the transaction. The swap market has grown substantially in recent years with a large number of banks and investment banking firms acting both as principals and agents utilizing standardized swap documentation. The Subadviser has determined that, as a result, the swap market is liquid. Caps, floors, and collars are more recent innovations for which standardized documentation has not yet been developed and, accordingly, they are less liquid than swaps. The use of equity swaps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Subadviser is incorrect in its forecasts of market values, interest rates, and other applicable factors, the investment performance of a Stock Fund would diminish compared with what it would have been if these investment techniques were not utilized. Moreover, even if the Subadviser is correct in its forecasts, there is a risk that the swap position may correlate imperfectly with the price of the asset or liability being hedged.

The liquidity of swap agreements will be determined by the Subadviser based on various factors, including (1) the frequency of trades and quotations, (2) the number of dealers and prospective purchasers in the marketplace, (3) dealer undertakings to make a market, (4) the nature of the security (including any demand or tender features), and (5) the nature of the marketplace for trades (including the ability to assign or offset a Stock Fund's rights and obligations relating to the investment). Such determination will govern whether a swap will be deemed within the percentage restriction on investments in securities that are not readily marketable.

There is no limit on the amount of equity swap transactions that may be entered into by a Stock Fund. These transactions do not involve the delivery of securities or other underlying assets or principal. Accordingly, the risk of loss with respect to equity swaps is limited to the net amount of payments that a Stock Fund is contractually obligated to make, if any. The effective use of swaps and related transactions by a Stock Fund may depend, among other things, on the Stock Fund's ability to terminate the transactions at times when the Subadviser deems it desirable to do so. Because swaps and related transactions are bilateral contractual arrangements between a Stock Fund and counterparties to the transactions, the Stock Fund's ability to terminate such an arrangement may be considerably more limited than in the case of an exchange-traded instrument. To the extent a Stock Fund does not, or cannot, terminate such a transaction in a timely manner, the Stock Fund may suffer a loss in excess of any amounts that it may have received, or expected to receive, as a result of entering into the transaction. If the other party to a swap defaults, the Stock Fund's risk of loss is the net amount of payments that the Stock Fund contractually is entitled to receive, if any. See "Derivatives" below.

#### Indexed Securities

Each Stock Fund may purchase securities whose prices are indexed to the prices of other securities, securities indexes, currencies, or other financial indicators. Indexed securities typically, but not always, are debt securities or deposits whose value at maturity or coupon rate is determined by reference to a specific instrument or statistic. Currency-indexed securities typically are short-term to intermediate-term debt securities whose maturity values or interest rates are determined by reference to the values of one or more specified foreign currencies, and may offer higher yields than U.S. dollar-denominated securities of equivalent issuers. Currency-indexed securities may be positively or negatively indexed; that is, their maturity value may increase when the specified currency value increases, resulting in a security that performs similarly to a foreign currency-denominated instrument, or their maturity value may decline when foreign currencies increase, resulting in a security whose price characteristics are similar to a put on the underlying currency. Currency-indexed securities may also have prices that depend on the values of a number of different foreign currencies relative to each other.

#### Nonregional Securities

To gain broader exposure to certain sectors or industries, each Stock Fund may invest in securities of issuers based outside of the region in which the Fund primarily invests. See "Foreign Securities and Foreign Issuers" for a discussion of risks associated with these types of investments.

Investors should note that a Stock Fund's ability to pursue certain of these strategies may be limited by applicable regulations of the Securities and Exchange Commission ("SEC"), the Commodity Futures Trading Commission ("CFTC"), and the federal income tax requirements applicable to regulated investment companies.

#### **NATURAL DISASTERS**

Certain areas of the world, including areas within the United States, historically have been prone to natural disasters, such as hurricanes, earthquakes, typhoons, flooding, tidal waves, tsunamis, erupting volcanoes, wildfires or droughts. Such disasters, and the resulting damage, could have a significant adverse impact on the economies of those areas and on the ability of issuers in which a Fund invests to conduct their businesses, and thus on the investments made by a Fund in such geographic areas and/or issuers. Adverse weather conditions could have a significant adverse impact on issuers in the agricultural sector and on insurance companies that insure against the impact of natural disasters.

#### **INTERNATIONAL OPPORTUNITIES FUND, INTERNATIONAL EQUITY FUND, SUSTAINABLE SOLUTIONS FUND**

##### Europe

A number of countries in Europe have experienced severe economic and financial difficulties. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts; many other issuers have faced difficulties obtaining credit or refinancing existing obligations; financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit; and financial markets in Europe and elsewhere have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen or spread within and without Europe. Responses to the financial problems by European governments, central banks, and others, including austerity measures and reforms, may not work, may result in social unrest and may limit future growth and economic recovery or have other unintended consequences. Further defaults or restructurings by governments and others of their debt could have additional adverse effects on economies, financial markets and asset valuations around the world. On January 31, 2020, the United Kingdom withdrew from the European Union. On January 31, 2020, the United Kingdom withdrew from the European Union, commonly referred to as "Brexit." Following a transition period, the United Kingdom's post-Brexit trade agreement with the European Union passed into law in December 2020 and went into effect on January 1, 2021. The United Kingdom and the European Union have reached an agreement on the terms of their future trading relationship, which principally relates to the trading of goods rather than

services, including financial services. Notwithstanding this agreement, uncertainty remains in the market regarding the ramifications of the United Kingdom's withdrawal from the European Union. The impact on the United Kingdom and European economies and the broader global economy could be significant, resulting in increased volatility and illiquidity, currency fluctuations, impacts on arrangements for trading and on other existing cross-border cooperation arrangements, and in potentially lower growth for companies in the United Kingdom, Europe and globally, which could have an adverse effect on the value of the fund's investments. Moreover, other countries may seek to withdraw from the European Union and/or abandon the euro, the common currency of the European Union. A number of countries in Europe have suffered terror attacks, and additional attacks may occur in the future. Europe has also been struggling with mass migration from the Middle East and Africa. The ultimate effects of these events and other socio-political or geographical issues are not known but could profoundly affect global economies and markets. Whether or not the Fund invests in securities of issuers located in Europe or with significant exposure to European issuers or countries, these events could negatively affect the value and liquidity of the Fund's investments due to the inter-connected nature of the global economy and capital markets.

#### Risks related to invasion of Ukraine by Russia

Russia's military invasion of Ukraine in February 2022 resulted in the United States, other countries and certain international organizations levying broad economic sanctions against Russia. These sanctions froze certain Russian assets and prohibited, among other things, trading in certain Russian securities and doing business with specific Russian corporate entities, large financial institutions, officials and oligarchs. The sanctions also included the removal of some Russian banks from the Society for Worldwide Interbank Financial Telecommunications (SWIFT), the electronic network that connects banks globally, and imposed restrictive measures to prevent the Russian Central Bank from undermining the impact of the sanctions. The United States and other countries have also imposed economic sanctions on Belarus and may impose sanctions on other countries that support Russia's military invasion. A number of large corporations and U.S. states have also announced plans to divest interests or otherwise curtail business dealings with certain Russian businesses. In addition, certain index providers have removed Russian securities from their indices. These actions and any additional sanctions or other intergovernmental actions that may be undertaken against Russia or other countries that support Russia's military invasion in the future may result in the devaluation of Russian or other affected currencies, a downgrade in the sanctioned country's credit rating, and a decline in the value and liquidity of Russian securities and securities of issuers in other countries that support the invasion. In response to sanctions, the Russian Central Bank raised its interest rates and banned sales of local securities by foreigners. Russia may take additional countermeasures or retaliatory actions, which may also impair the value and liquidity of Russian securities and Fund investments. The ongoing conflict has resulted in significant market disruptions, including in certain markets, industries and sectors, such as the oil and natural gas markets, and negatively affected global supply chains, food supplies, inflation and global growth. In addition, the ability to price, buy, sell, receive, or deliver such securities is also affected due to these measures. For example, a Fund may be prohibited from investing in securities issued by companies subject to such sanctions. In addition, the sanctions and/or countermeasures taken by Russia in response to the sanctions may require a Fund to freeze its existing investments in companies operating in or having dealings with Russia or other sanctioned countries, which would prevent the Fund from selling these investments, and the value of such investments held by the Fund could be significantly impacted, which could lead to such investments being valued at zero. Any exposure that a Fund may have to Russian counterparties or counterparties in other sanctioned countries also could negatively impact the Fund's portfolio. The extent and duration of Russia's military actions and the repercussions of such actions, including any retaliatory actions or countermeasures that may be taken by Russia or others subject to sanctions (such as cyberattacks on other governments, corporations or individuals, restricting natural gas or other exports to other countries, seizure of U.S. and European residents' assets, or undertaking or provoking other military conflict elsewhere in Europe) are impossible to predict. These and any related events could significantly impact a Fund's performance and the value of an investment in the Fund even beyond any direct exposure the Fund may have to Russian issuers or issuers in other countries affected by the invasion.

#### Investments in China

Risks of investments in securities of Chinese issuers include market volatility, heavy dependence on exports, which may decrease, sometimes significantly, when the world economy weakens, and the continuing importance of the role of the Chinese Government, which may take actions that affect economic and market practices. These actions may include regulatory measures, which may be adopted with little or no warning, that can severely restrict a company's business operations, with potentially dramatic adverse impacts on the market values of its securities. While the Chinese economy has grown rapidly in recent years, the rate of growth has been declining, and there can be no assurance that China's economy will continue to grow in the future. The Chinese economy could be adversely affected by supply chain disruptions. Trade disputes between China and its trading counterparties, including the United States, have arisen and may continue to arise. Such disputes have resulted in trade tariffs and may potentially result in future trade tariffs, as well as embargoes, trade limitations, trade wars and other negative consequences. The U.S. has also restricted the sale of certain goods to China. These consequences could trigger, among other things, a substantial reduction in international trade and adverse effects on, and potential failure of, individual companies and/or large segments of China's export industry, which could have potentially significant negative effects on the Chinese economy as well as the global economy. In addition, the political climate between the United States and China has recently deteriorated. The United States government has acted to prohibit U.S. persons, such as the Funds, from owning, and required them to divest, certain Chinese companies designated as related to the Chinese military.



There is no assurance that more such companies will not be so designated in the future, which could limit a Fund's opportunities for investment and require the sale of securities at a loss or make them illiquid. If the political climate between the United States and China continues to deteriorate, economies and markets may be adversely affected. Further, Chinese companies are subject to the risk of de-listing on U.S. exchanges, if the United States Public Company Accounting Oversight Board (the "PCAOB") is unable to obtain access to inspect audit firms in China that are PCAOB-registered. While the PCAOB has recently obtained such access, there is no assurance that it will continue. If that access is discontinued, Chinese companies that are listed on U.S. exchanges may be required to de-list, which could materially adversely affect the markets for their securities.

Taiwan and Hong Kong do not exercise the same level of control over their economies as does the People's Republic of China, but changes to their political and economic relationships with the People's Republic of China could adversely impact investments in Taiwan and Hong Kong. Following the establishment of the People's Republic of China by the Communist Party in 1949, the Chinese government renounced various debt obligations incurred by China's predecessor governments, which obligations remain in default, and expropriated assets without compensation. There can be no assurance that the Chinese government will not take similar action in the future. An investment in a Fund involves risk of a total loss. The potential political reunification of China and Taiwan is a highly problematic issue and could negatively affect Taiwan's economy and stock market. Hong Kong is closely tied to China, economically and through China's 1997 acquisition of the country as a Special Autonomous Region. China has committed by treaty to preserve Hong Kong's autonomy and its economic, political and social freedoms until 2047. However, China has in recent years curtailed Hong Kong's autonomy and freedoms, which has led to political unrest and eroded investor and business confidence in Hong Kong.

Military conflicts, either in response to internal social unrest or conflicts with other countries, could disrupt economic development. The Chinese economy is vulnerable to the long-running disagreements with Hong Kong related to integration and religious and nationalist disputes with Tibet and the Xinjiang region. China has a complex territorial dispute regarding the sovereignty of Taiwan that has included threats of invasion; Taiwan-based companies and individuals are significant investors in China. Military conflict between China and Taiwan may adversely affect securities of Chinese, Taiwan-based and other issuers both in and outside the region, adversely impact the economies of China and other Asian countries, disrupt supply chains, and severely affect global economies and markets. Risks of investments in issuers based in Hong Kong, a special administrative region of China, include heavy reliance on the U.S. economy and regional economies, particularly the Chinese economy, which makes these investments vulnerable to changes in these economies. These and related factors may result in adverse effects on investments in China and Hong Kong and have a negative impact on the performance of a Fund.

A Fund may invest in China A shares of certain Chinese companies listed and traded through the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect programs ("Stock Connect"). Stock Connect is a securities trading and clearing program established by Hong Kong Exchanges and Clearing Limited, the Shanghai Stock Exchange, the Shenzhen Stock Exchange and China Securities Depository and Clearing Corporation Limited, which seeks to provide mutual stock market access between Mainland China and Hong Kong. A Fund may also invest in Chinese interbank bonds traded on the China Interbank Bond Market through the China-Hong Kong Bond Connect program ("Bond Connect"). In China, the Hong Kong Monetary Authority Central Money Markets Unit holds Bond Connect securities on behalf of the ultimate investors (such as a Fund) in accounts maintained with a China-based custodian (either the China Central Depository & Clearing Co. or the Shanghai Clearing House). This recordkeeping system subjects a Fund to numerous risks, including the risk that the Fund may have a limited ability to enforce its rights as a bondholder and the risks of settlement delays and counterparty default of the Hong Kong sub-custodian. Furthermore, courts in China have limited experience in applying the concept of beneficial ownership.

Trading through Stock Connect or Bond Connect is subject to a number of restrictions and risks that could impair a Fund's ability to invest in or sell China A shares or Chinese interbank bonds, respectively, and affect investment returns, including limitations on trading and possible imposition of trading suspensions. For example, Stock Connect is subject to quotas that limit aggregate net purchases on an exchange on a particular day, and an investor cannot purchase and sell the same security through Stock Connect on the same trading day. In addition, both Stock Connect and Bond Connect are generally only available on business days when both the China and Hong Kong markets are open, which may limit a Fund's ability to trade when it would be otherwise attractive to do so. In addition, uncertainties in China's tax rules related to the taxation of income and gains from investments in China A shares or Chinese interbank bonds could result in unexpected tax liabilities for a Fund. Investing in China A shares and Chinese interbank bonds is also subject to the clearance and settlement procedures associated with Stock Connect and Bond Connect, which could pose risks to a Fund.

All transactions in Stock Connect or Bond Connect securities will be made in renminbi, and accordingly a Fund will be exposed to renminbi currency risks. The ability to hedge renminbi currency risks may be limited. In addition, given the renminbi is subject to exchange control restrictions, a Fund could be adversely affected by delays in converting other currencies into renminbi and vice versa and at times when there are unfavorable market conditions. Securities purchased through Bond Connect generally may not be sold, purchased or otherwise transferred other than through Bond Connect in accordance with applicable rules.

Both Stock Connect and Bond Connect are relatively new programs to the market and are subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges, with respect to Stock Connect, in China and Hong Kong. Furthermore, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement under Stock Connect and Bond Connect.

A Fund may invest in Chinese companies through a structure known as a variable interest entity (“VIE”), which is designed to provide foreign investors, such as a Fund, with exposure to Chinese companies in sectors in which foreign investment is not permitted. Under this structure, the Chinese operating company is the VIE and establishes a shell company in a foreign jurisdiction, such as the Cayman Islands, which is then listed on a foreign exchange. The shell company has no equity ownership in the VIE but has exposure to the VIE through contractual arrangements. However, the Fund is not a VIE owner or shareholder and cannot exert influence on the VIE through proxy voting. Until recently, the VIE structure was not formally recognized under Chinese law; while China has recently proposed rules that would recognize this structure, there is significant uncertainty as to how these rules would operate. The inability to enforce the contracts through which the shell company derives its value could result in permanent loss of a Fund’s investment.

#### Foreign Securities and Foreign Issuers

Investing in the securities of foreign issuers involves special considerations that are not typically associated with investing in the securities of U.S. issuers. Investments in securities of foreign issuers may involve risks arising from differences between U.S. and foreign securities markets, including less volume, much greater price volatility in and illiquidity of certain foreign securities markets, greater difficulty in determining the fair value of securities, different trading and settlement practices, and less governmental supervision and regulation, from changes in currency exchange rates, from high and volatile rates of inflation, from economic, social, and political conditions such as wars, terrorism, civil unrest, and uprisings, and from fluctuating interest rates.

There may be less publicly available information about a foreign issuer than about a U.S. issuer, and foreign issuers may not be subject to the same accounting, auditing, and financial recordkeeping standards and requirements as U.S. issuers. In particular, the assets and profits appearing on the financial statements of a foreign issuer may not reflect its financial position or results of operations in the way they would be reflected had the financial statements been prepared in accordance with U.S. generally accepted accounting principles. In addition, for an issuer that keeps accounting records in local currency, inflation accounting rules may require, for both tax and accounting purposes, that certain assets and liabilities be restated on the issuer’s balance sheet in order to express items in terms of currency of constant purchasing power. Inflation accounting may indirectly generate losses or profits. Consequently, financial data may be materially affected by restatements for inflation and may not accurately reflect the real condition of those issuers and securities markets. Finally, in the event of a default in any such foreign obligations, it may be more difficult for a Fund to obtain or enforce a judgment against the issuers of such obligations.

Other investment risks include the possible imposition of foreign withholding taxes on certain amounts of a Fund’s income, the possible seizure or nationalization of foreign assets, and the possible establishment of exchange controls, expropriation, confiscatory taxation, other foreign governmental laws or restrictions that might affect adversely payments due on securities held by the Fund, the lack of extensive operating experience of eligible foreign subcustodians, and legal limitations on the ability of the Fund to recover assets held in custody by a foreign subcustodian in the event of the subcustodian’s bankruptcy.

In some countries, banks or other financial institutions may constitute a substantial number of the leading companies or companies with the most actively traded securities. The 1940 Act limits a Fund’s ability to invest in any equity security of an issuer that, in its most recent fiscal year, derived more than 15% of its revenues from “securities related activities,” as defined by the rules thereunder. These provisions may also restrict the Fund’s investments in certain foreign banks and other financial institutions.

There generally is less governmental supervision and regulation of exchanges, brokers, and issuers in foreign countries than there is in the United States. For example, there may be no comparable provisions under certain foreign laws to insider trading and similar investor protection securities laws that apply with respect to securities transactions consummated in the United States. Further, brokerage commissions and other transaction costs on foreign securities exchanges generally are higher than in the United States.

Foreign markets have different clearance and settlement procedures, and in certain markets there have been times when settlements have failed to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Further, satisfactory custodial services for investment securities may not be available in some countries having smaller, emerging capital markets, which may result in a Fund incurring additional costs and delays in transporting such securities outside such countries. Delays in settlement or other problems could result in periods when assets of a Fund are uninvested and no return is earned thereon. The inability of a Fund to make intended security purchases due to settlement problems or the risk of intermediary counterparty failures could cause a Fund to forego attractive investment opportunities. The inability to dispose of a portfolio security due to settlement problems could result either in losses to a Fund due to subsequent declines in the value of such portfolio security or, if the Fund has entered into a contract to sell the security, could result in possible liability to the purchaser.

Rules adopted under the 1940 Act permit a Fund to maintain its foreign securities and cash in the custody of certain eligible non-U.S. banks and securities depositories. Certain banks in foreign countries may not be “eligible subcustodians,” as defined in the 1940 Act, for a Fund, in which event the Fund may be precluded from purchasing securities in certain foreign countries in which it otherwise would invest or where such purchase may result in a Fund incurring additional costs and delays in providing transportation and custody services for such securities outside such countries. A Fund may encounter difficulties in effecting portfolio transactions on a timely basis with respect to any securities of issuers held outside their countries. Other banks that are eligible foreign subcustodians may be recently organized or otherwise lack extensive operating experience. In addition, in certain countries there may be legal restrictions or limitations on the ability of a Fund to recover assets held in custody by foreign subcustodians in the event of the bankruptcy of the subcustodian.

Certain of the risks associated with international investments and investing in smaller capital markets are heightened for investments in emerging market countries. For example, some of the currencies of emerging market countries have experienced devaluation relative to the U.S. dollar, and major adjustments have been made periodically in certain of such currencies. Certain of such countries face serious exchange constraints. In addition, governments of many emerging market countries have exercised and continue to exercise substantial influence over many aspects of the private sector. In certain cases, the government owns or controls many companies. Accordingly, government actions in the future could have a significant effect on economic conditions in developing countries that could affect private sector companies and consequently the value of certain securities held in a Fund’s portfolio.

Investment in certain emerging market securities is restricted or controlled to varying degrees that may at times limit or preclude investment in certain emerging market securities and increase the costs and expenses of a Fund. Certain emerging market countries require governmental approval prior to investments by foreign persons, limit the amount of investment by foreign persons in a particular issuer, limit the investment by foreign persons only to a specific class of securities of an issuer that may have less advantageous rights than other classes, restrict investment opportunities in issuers in industries deemed important to national interests, and/or impose additional taxes on foreign investors.

The manner in which foreign investors may invest in companies in certain emerging market countries, as well as limitations on such investments, also may have an adverse impact on the operations of a Fund. For example, a Fund may be required in some countries to invest initially through a local broker or other entity and then have the shares purchased re-registered in the name of the Fund. Re-registration may in some instances not occur on a timely basis, resulting in a delay during which a Fund may be denied certain of its rights as an investor.

Certain emerging market countries may require governmental approval for the repatriation of investment income, capital, or the proceeds of sales of securities by foreign investors that could adversely affect a Fund. In addition, if deterioration occurs in the country’s balance of payments, it could impose temporary restrictions on foreign capital remittances. Investing in local markets in emerging market countries may require a Fund to adopt special procedures, seek local government approvals, or take other actions, each of which may involve additional costs to the Fund.

With respect to investments in certain emerging market countries, different legal standards may have an adverse impact on a Fund. For example, while the potential liability of a shareholder in a U.S. corporation with respect to acts of the corporation is generally limited to the amount of the shareholder’s investment, the notion of limited liability is less clear in certain emerging market countries. Similarly, the rights of investors in emerging market companies may be more limited than those of shareholders of U.S. corporations.

Certain markets are in only the earliest stages of development. There is also a high concentration of market capitalization and trading volume in a small number of issuers representing a limited number of industries, as well as a high concentration of investors and financial intermediaries. Many of such markets also may be affected by developments with respect to more established markets in the region. Brokers in emerging market countries typically are fewer in number and less capitalized than brokers in the United States. These factors, combined with the U.S. regulatory requirements for open-end investment companies and the restrictions on foreign investment, result in potentially fewer investment opportunities for a Fund and may have an adverse impact on the investment performance of the Fund.

### Supranational Obligations

Supranational entities include international organizations designated or supported by governmental entities to promote economic reconstruction or development and international banking institutions and related government agencies. Examples include the World Bank, the European Investment Bank, the European Bank for Reconstruction and Development, the Asian Development Bank, and the Inter-American Development Bank. Supranational issued instruments may be denominated in multinational currency units. Obligations of the World Bank and certain other supranational organizations are supported by subscribed but unpaid commitments of member countries. There is no assurance that these commitments will be undertaken or complied with in the future.

## Depository Receipts

Securities of foreign issuers may be purchased directly or through depository receipts, such as American Depositary Receipts (“ADRs”), European Depositary Receipts (“EDRs”), and Global Depositary Receipts (“GDRs”), or other securities representing underlying shares of foreign companies. Generally, ADRs, in registered form, are designed for use in U.S. securities markets and EDRs and GDRs, in bearer form, are designed for use in European and global securities markets. ADRs are receipts typically issued by a U.S. bank or trust company evidencing ownership of the underlying securities. EDRs and GDRs are European and global receipts, respectively, evidencing a similar arrangement.

ADRs, EDRs, and GDRs are issued through “sponsored” or “unsponsored” arrangements. In a sponsored arrangement, the foreign issuer assumes the obligation to pay some or all of the depository’s transaction fees, whereas under an unsponsored arrangement, the foreign issuer assumes no obligation and the depository’s transaction fees are paid by the holders. In addition, less information is generally available in the United States about the issuer of an unsponsored depository receipt as it is for the issuer of a sponsored depository receipt.

## Risks of Derivatives Outside the United States

When conducted outside the United States, Derivatives transactions may not be regulated as rigorously as in the United States, may not involve a clearing mechanism and related guarantees, and will be subject to the risk of governmental actions affecting trading in, or the prices of, foreign securities, currencies, and other instruments. In addition, the price of any foreign futures or foreign options contract and, therefore, the potential profit and loss thereon, may be affected by any variance in the foreign exchange rate between the time an order is placed and the time it is liquidated, offset, or exercised. The value of positions taken as part of non-U.S. Derivatives also could be adversely affected by: (1) other complex foreign political, legal, and economic factors, (2) lesser availability of data on which to make trading decisions than in the United States, (3) delays in a Fund’s ability to act upon economic events occurring in foreign markets during nonbusiness hours in the United States, (4) the imposition of different exercise and settlement terms and procedures and margin requirements than in the United States, and (5) lower trading volume and liquidity.

## BOND FUND

### Bank Obligations

The Bond Fund may invest in bank obligations, including the following:

- o Certificates of deposit, which are negotiable interest-bearing instruments with a specific maturity. Certificates of deposit are issued by banks and savings and loan institutions in exchange for the deposit of funds and normally can be traded in the secondary market prior to maturity.
- o Time deposits (including Eurodollar time deposits), which are non-negotiable receipts issued by a bank in exchange for the deposit of funds. Time deposits earn a specified rate of interest over a definite period of time, but cannot be traded in the secondary market. Time deposits with a withdrawal penalty are considered to be illiquid securities.
- o Bankers’ acceptances, which are bills of exchange or time drafts drawn on and accepted by a commercial bank. They are used by corporations to finance the shipment and storage of goods and to furnish dollar exchange. Maturities are generally six months or less.
- o Other short-term debt obligations.

The Bond Fund’s investments in bank obligations are particularly susceptible to adverse events in the banking industry. Banks are highly regulated. Decisions by regulators may limit the loans banks make and the interest rates and fees they charge, and may reduce bank profitability. Banks also depend on being able to obtain funds at reasonable costs to finance their lending operations. This makes them sensitive to changes in money market and general economic conditions. When a bank’s borrowers get in financial trouble, their failure to repay the bank will also negatively affect the bank’s financial situation.

Bank obligations may be issued by domestic banks, foreign subsidiaries, or foreign branches of domestic banks, domestic and foreign branches of foreign banks, domestic savings and loan associations, and other banking institutions. Such investments in domestic branches of foreign banks and foreign branches of domestic banks may involve risks that are different from investments in securities of domestic branches of U.S. banks. These risks may include future unfavorable political and economic developments, possible withholding taxes on interest income, seizure or nationalization of foreign deposits, currency controls, interest limitations, or other governmental restrictions, which might affect the payment of principal or interest on the securities held by a Fund. Additionally, these institutions may be subject to less stringent reserve requirements and to different accounting, auditing, reporting and recordkeeping

requirements than those applicable to domestic branches of U.S. banks. The Bond Fund may invest in U.S. dollar-denominated obligations of domestic branches of foreign banks and foreign branches of domestic banks only when the Subadviser believes that the risks associated with such investment are minimal and that all applicable quality standards have been satisfied.

#### Commercial Paper

The Bond Fund may invest in commercial paper, which is unsecured debt of corporations usually maturing in 270 days or less from its date of issuance.

#### Variable Rate Obligations

Unlike most bonds, which pay a fixed rate of interest, variable rate debt obligations pay interest at rates that change based on market interest rates. Interest rates on variable rate obligations may move in the same or in the opposite direction as market interest rates and may increase or decrease based on a multiple of the change in a market interest rate. These obligations tend to be highly sensitive to interest rate movements.

The loans in which the Bond Fund invests are subject to the risk of loss of principal and income. Although borrowers frequently provide collateral to secure repayment of these obligations, they do not always do so. If they do provide collateral, the value of the collateral may not completely cover the borrower's obligations at the time of a default. If a borrower files for protection from its creditors under the U.S. bankruptcy laws, these laws may limit the Fund's rights to its collateral. In addition, the value of collateral may erode during a bankruptcy case. In the event of a bankruptcy, the holder of a loan may not recover its principal, may experience a long delay in recovering its investment and may not receive interest during the delay. Additionally, with respect to loan participations, the Bond Fund, as a participant in a loan, will not have any direct claim on the loan or against the borrower, and the Bond Fund may be subject to greater delays, expenses and risks than would have been involved if the Bond Fund had purchased a direct obligation of the borrower.

#### Mortgage-backed Securities

The Bond Fund may invest in mortgage-backed securities, which are securities representing interests in pools of mortgage loans. Interests in pools of mortgage-related securities differ from other forms of debt instruments, which normally provide for periodic payment of interest in fixed amounts with principal payments at maturity or specified call dates. Instead, these securities provide a monthly payment that consists of both interest and principal payments. In effect, these payments are a "pass-through" of the monthly payments made by the individual borrowers on their mortgage loans, net of any fees paid to the issuer or guarantor of such securities. Additional payments are caused by prepayments of principal resulting from the sale, refinancing, or foreclosure of the underlying property, net of fees or costs that may be incurred. The market value and interest yield of these instruments can vary due to market interest rate fluctuations and early prepayments of underlying mortgages.

The principal governmental issuers or guarantors of mortgage-backed securities are the Government National Mortgage Association ("Ginnie Mae"), Fannie Mae (formerly the Federal National Mortgage Association) ("Fannie Mae"), and Freddie Mac (formerly the Federal Home Loan Mortgage Corporation) ("Freddie Mac"). Obligations of Ginnie Mae are backed by the full faith and credit of the U.S. government while obligations of Fannie Mae and Freddie Mac are supported by the respective agency only. In 2008, the U.S. Treasury Department and the Federal Housing Finance Administration ("FHFA") announced that Fannie Mae and Freddie Mac would be placed into a conservatorship under FHFA. Although the U.S. government has provided financial support to Fannie Mae and Freddie Mac there can be no assurance that it will support these or other government-sponsored enterprises in the future.

A portion of the Bond Fund's assets may be invested in collateralized mortgage obligations ("CMOs"), which are debt obligations collateralized by mortgage loans or mortgage pass-through securities. Typically, CMOs are collateralized by certificates issued by Ginnie Mae, Fannie Mae, or Freddie Mac but also may be collateralized by whole loans or private mortgage pass-through securities (such collateral collectively hereinafter referred to as "Mortgage Assets"). The Bond Fund may also invest a portion of its assets in multi-class pass-through securities, which are interests in a trust composed of Mortgage Assets. CMOs (which include multi-class pass-through securities) may be issued by agencies, authorities, or instrumentalities of the U.S. government or by private originators of or investors in mortgage loans, including savings and loan associations, mortgage banks, commercial banks, investment banks, and special purpose subsidiaries of the foregoing. Payments of principal of and interest on the Mortgage Assets, and any reinvestment income thereon, provide the funds to pay debt service on the CMOs or make scheduled distributions on the multi-class pass-through securities. In a CMO, a series of bonds or certificates is usually issued in multiple classes with different maturities. The class of CMO, often referred to as a "tranche," is issued at a specific fixed or floating coupon rate and has a stated maturity or final distribution date. Principal prepayments on the Mortgage Assets may cause the CMOs to be retired substantially earlier than their stated maturities or final distribution dates, resulting in a loss of all or part of the premium if any has been paid. Interest is paid or accrues on all classes of the CMOs on a monthly, quarterly, or semiannual basis. The principal of and interest on the Mortgage Assets may be allocated among the several classes of a series of a CMO in various ways. In a common structure, payments of principal, including any principal

prepayments, on the Mortgage Assets are applied to the classes of the series of a CMO in the order of their respective stated maturities or final distribution dates, so that no payment of principal will be made on any class of CMOs until all other classes having an earlier stated maturity or final distribution date have been paid in full.

The Bond Fund also may invest in real estate mortgage investment conduits (“REMICs”). REMICs, which were authorized under the Tax Reform Act of 1986, are private entities formed for the purpose of holding a fixed pool of mortgages secured by an interest in real property. REMICs are similar to CMOs in that they issue multiple classes of securities.

Even if the U.S. government or one of its agencies guarantees principal and interest payments of a mortgage-backed security, the market price of a mortgage-backed security is not insured and may be subject to market volatility. When interest rates decline, mortgage-backed securities experience higher rates of prepayment because the underlying mortgages are refinanced to take advantage of the lower rates. The prices of mortgage-backed securities may not increase as much as prices of other debt obligations when interest rates decline, and mortgage-backed securities may not be an effective means of locking in a particular interest rate. In addition, any premium paid for a mortgage-backed security may be lost when it is prepaid. When interest rates go up, mortgage-backed securities experience lower rates of prepayment. This has the effect of lengthening the expected maturity of a mortgage-backed security. This particular risk, referred to as “maturity extension risk,” may effectively convert a security that was considered short- or intermediate-term at the time of purchase into a long-term security. The prices of long-term securities generally fluctuate more widely than short- or intermediate-term securities in response to changes in interest rates. Thus, rising interest rates would not only likely decrease the value of the Bond Fund’s fixed-income securities, but would also increase the inherent volatility of the Fund by effectively converting short-term debt instruments into long-term debt instruments. As a result, prices of mortgage-backed securities may decrease more than prices of other debt obligations when interest rates go up.

#### Corporate Asset-backed Securities

The Bond Fund may invest in corporate asset-backed securities. These securities, issued by trusts and special purpose corporations, are backed by a pool of assets, such as credit card and automobile loan receivables, representing the obligations of a number of different parties.

Corporate asset-backed securities present certain risks. For instance, in the case of credit card receivables, these securities may not have the benefit of any security interest in the related collateral. Credit card receivables are generally unsecured and the debtors are entitled to the protection of a number of state and federal consumer credit laws, many of which give such debtors the right to set off certain amounts owed on the credit cards, thereby reducing the balance due. Most issuers of automobile receivables permit the servicers to retain possession of the underlying obligations. If the servicer were to sell these obligations to another party, there is a risk that the purchaser would acquire an interest superior to that of the holders of the related automobile receivables. In addition, because of the large number of vehicles involved in a typical issuance and technical requirements under state laws, the trustee for the holders of the automobile receivables may not have a proper security interest in all of the obligations backing such receivables. Therefore, there is the possibility that recoveries on repossessed collateral may not, in some cases, be available to support payments on these securities. The underlying assets (e.g., loans) are also subject to prepayments that shorten the securities’ weighted average life and may lower their return.

Corporate asset-backed securities are often backed by a pool of assets representing the obligations of a number of different parties. To lessen the effect of failures by obligors on underlying assets to make payments, the securities may contain elements of credit support that fall into two categories: (a) liquidity protection and (b) protection against losses resulting from ultimate default by an obligor on the underlying assets. Liquidity protection refers to the provision of advances, generally by the entity administering the pool of assets, to ensure that the receipt of payments on the underlying pool occurs in a timely fashion. Protection against losses resulting from ultimate default ensures payment through insurance policies or letters of credit obtained by the issuer or sponsor from third-parties. The degree of credit support provided for each issue is generally based on historical information regarding the level of credit risk associated with the underlying assets. Delinquency or loss in excess of that anticipated or failure of the credit support could adversely affect the return on an investment in such a security.

#### Mortgage “Dollar Rolls”

The Bond Fund may enter into mortgage dollar roll transactions. In these transactions, the Bond Fund sells mortgage-backed securities for delivery in the future and at the same time contracts to repurchase substantially similar securities on a specified future date. During the roll period, the Bond Fund does not receive principal and interest paid on the mortgage-backed securities. The Bond Fund is compensated for the lost principal and interest by the difference between the current sales price and the lower price for the future purchase (often referred to as the “drop”) as well as by the interest earned on the cash proceeds of the initial sale. The Bond Fund may also be compensated by receipt of a commitment fee. However, the Bond Fund takes the risk that the market price of the mortgage-backed security may drop below the future purchase price. When the Bond Fund uses a mortgage dollar roll, it is also subject to the risk that the other party to the agreement will not be able to perform.

A Fund may enter into mortgage dollar roll transactions notwithstanding the limitation on the issuance of senior securities in Section 18 of the Investment Company Act, provided that the Fund complies with Rule 18f-4 under the 1940 Act. See “Derivatives” below. Securities Ratings

The Bond Fund may purchase investment-grade securities rated above Baa by Moody’s Investors Service, Inc. (“Moody’s”), BBB by S&P, and BBB by Fitch, respectively, and those securities that the Fund’s Subadviser believe to be of comparable quality. To the extent the Bond Fund is permitted to invest in below investment-grade securities it may have exposure to securities rated below Baa, BBB, or BBB by Moody’s, S&P and Fitch, respectively. These lower rated securities may have poor protection of payment of principal and interest. These securities are often considered to be speculative and involve greater risk of default or price changes due to changes in the issuer’s creditworthiness than securities assigned a higher quality rating. The market prices of these securities may go up and down more than higher-rated securities and may go down significantly in periods of general economic difficulty that may follow periods of rising interest rates. A description of the ratings applied by Moody’s, S&P and Fitch is included in Appendix A.

#### Call Features

Certain securities held by the Bond Fund may permit the issuer at its option to “call,” or redeem, its securities. If an issuer were to redeem securities held by the Bond Fund during a time of declining interest rates, the Bond Fund may have to reinvest that money at the lower prevailing interest rates.

#### Zero Coupon Bonds, Deferred Interest Bonds, and PIK Bonds

The Bond Fund may invest in debt obligations called zero coupon bonds, deferred interest bonds, and payment-in-kind (“PIK”) bonds. Zero coupon bonds do not pay any interest. Instead, zero coupon bonds are issued at a significant discount from the value the Bond Fund expects to receive upon maturity. Deferred interest bonds are similar to zero coupon bonds except that they begin to pay interest after some delay. Although PIK bonds may pay interest in cash, they also are similar to zero coupon bonds or deferred interest bonds because the issuer has the option to make interest payments in additional debt obligations rather than cash. Because these bonds may not pay interest at regular intervals, changes in interest rates affect the value of zero coupon, deferred interest, and PIK bonds more than debt obligations that pay regular interest, and the credit risk of these bonds tends to be greater than the credit risk of debt obligations that pay regular interest. Even though zero coupon, deferred interest, and PIK bonds may not make payments of interest until maturity or until after a delay, the Bond Fund is required to accrue interest income on such investments and to distribute such amounts at least annually to shareholders. Thus, it may be necessary at times for the Bond Fund to sell investments in order to make these distribution payments.

#### Stripped Securities

The Bond Fund may invest in stripped securities, such as interest-only strips (called IOs), which may receive only interest payments, and other types of stripped securities, such as principal-only strips (called POs), which may receive only principal payments. Stripped securities are more sensitive to changes in interest rates than are certain other debt instruments. The value of IOs generally will decrease as interest rates increase. As interest rates decrease, the Bond Fund’s investments in IOs may be adversely affected by a rapid rate of principal payments (including prepayments) on the underlying securities. A rapid rate of principal payments (including prepayments) may cause an IO to mature before the Bond Fund recovers its initial investment in the security. Conversely, if interest rates increase, the Bond Fund’s investments in POs may be adversely affected by a lower than expected rate of principal payments (including prepayments) on the underlying securities. A lower rate of principal payments (including prepayments) effectively extends the maturity of a PO.

#### Swaps and Related Investments

The Bond Fund may use a variety of swaps, including, but not limited to, credit- and event-linked swaps, interest rate swaps, swaps on specific securities or indices, swaps on rates (such as mortgage prepayment rates) and other types of swaps, such as caps, collars and floors, to hedge against a change in inflation, interest rates or other rates that could affect the value of securities in its portfolio. In addition, to the extent the Bond Fund is permitted to invest in foreign currency-denominated securities, it may invest in currency swaps. Interest rate swaps involve the exchange by the Bond Fund with another party of their respective commitments to pay or receive interest. An equity swap is an agreement to exchange cash flows on a principal amount based on changes in the values of the reference index. In a typical cap or floor agreement, one party agrees to make payments only under specified circumstances, usually in return for payment of a fee by the counterparty. For example, the purchase of an interest rate cap entitles the buyer, to the extent that a specified index exceeds a predetermined interest rate, to receive payments of interest on a contractually based principal amount from the counterparty selling such interest rate cap. The sale of an interest rate floor obligates the seller to make payments to the extent that a specified interest rate falls below an agreed-upon level. A collar arrangement combines elements of buying a cap and selling a floor.

Depending on how they are used, swap agreements may increase or decrease the overall volatility of a Fund's investments and its share price and yield. Investing in swaps and utilizing these and related techniques in managing a Fund portfolio, are highly specialized activities that involve investment techniques and risks different from those associated with ordinary portfolio transactions. These investments involve significant risk of loss. The most significant factor in the performance of swaps, caps, floors, and collars is the change in the specific interest rate, equity, or other factor that determines the amount of payments to be made under the arrangement. Whether the Fund's use of swaps will be successful in furthering its investment objective will depend on the applicable Subadviser's ability to predict correctly whether certain types of investments are likely to produce greater returns than other investments. If the Subadviser is incorrect in its forecast of such factors, the utilization of swap arrangements and related techniques could negatively impact the Bond Fund's performance. If a swap agreement calls for payments by the Bond Fund, the Bond Fund must be prepared to make such payments when due. The Bond Fund will not enter into any swap unless the Adviser or the Bond Fund Subadviser deems the counterparty to be creditworthy.

If the creditworthiness of the Bond Fund's swap counterparty declines, it becomes more likely that the counterparty will fail to meet its obligations under the contract, and consequently the Fund will suffer losses. Although there can be no assurance that a Fund will be able to do so, a Fund may be able to reduce or eliminate its exposure under a swap agreement either by assignment or other disposition, or by entering into an offsetting swap agreement with the same party or another creditworthy party. However, a Fund may have limited ability to eliminate its exposure under a credit default swap if the credit of the reference entity or underlying asset has declined. There can be no assurance that a Fund will be able to enter into swap transactions at prices or on terms the applicable Subadviser believes are advantageous to such Fund. In addition, although the terms of swaps, caps, collars and floors may provide for termination, there can be no assurance that a Fund will be able to terminate a swap or to sell or offset caps, collars or floors that it has purchased.

The swaps market is largely unregulated. It is possible that developments in the swaps market, including potential government regulation, could adversely affect a Fund's ability to terminate existing swap agreements or to realize amounts to be received under such agreements. The Bond Fund will maintain liquid assets with its custodian or otherwise cover its current obligations under swap transactions in accordance with current regulations and policies applicable to the Fund. When a Fund is a protection seller in a credit default swap it will segregate assets equivalent to the full notional value of the swap.

Swap agreements are subject to the Bond Fund's overall limit that not more than 15% of its net assets may be invested in illiquid securities. See "Derivatives" below.

#### Structured Notes and Indexed Securities

The Bond Fund may invest in structured notes and indexed securities. A structured note is a debt security with its interest rate or principal determined by reference to changes in the value of specific currencies, interest rates, commodities, indexes, or other financial indicators, or the relative change in two or more financial indicators. Indexed securities include structured notes as well as securities other than debt instruments, with their interest rates or principal determined by one or more financial indicators.

Structured notes and indexed securities may be more volatile, less liquid, and more difficult to accurately price than less complex fixed-income investments. These securities generally expose the Bond Fund to credit risks equal to that of the underlying financial indicators. The interest rate or the principal amount payable upon maturity of a structured note or indexed security may go up or down depending on changes in the underlying indicators. Structured notes and indexed securities often are less liquid than other debt instruments because they are typically sold in private placement transactions with no active trading market.

#### To Be Announced (TBA) Securities, When-Issued Securities and Forward Commitments of Purchases on a "When-Issued" Basis

The Bond Fund may invest a significant portion of its assets in TBA securities, including when-issued and delayed delivery securities, forward commitments, or commitments to purchase securities on a "when-issued" basis. TBA Securities, forward commitments, when-issued or delayed-delivery transactions arise when securities are purchased or sold with payment and delivery taking place in the future in order to secure what is considered to be an advantageous price and yield at the time of entering into the transaction. The price of such securities is fixed at the time of the commitment and delivery and payment normally take place beyond conventional settlement time after the date of commitment to purchase. The Fund will make commitments to purchase obligations on a "when-issued" basis only with the intention of actually acquiring the securities, but may sell them before the settlement date. The "when-issued" securities are subject to market fluctuation, and no interest accrues on the security to the purchaser during this period. The payment obligation and the interest rate that will be received on the securities are each fixed at the time the purchaser enters into the commitment. Purchasing obligations on a "when-issued" basis is a form of leveraging and can involve a risk that the yields available in the market when the delivery takes place may actually be higher than those obtained in the transaction itself. In that case, there could be an unrealized loss at the time of delivery.



TBA securities, forward commitments, when-issued or delayed-delivery transactions involve the risk that the security the Fund buys will lose value prior to its delivery. There are also the risks that the security will never be issued or that the other party to the transaction will not meet its obligation. If this occurs, the Fund loses both the investment opportunity for the assets it set aside to pay for the security and any gain in the security's price.

A Fund may enter into TBA securities, when-issued securities and forward commitments notwithstanding the limitation on the issuance of senior securities in Section 18 of the Investment Company Act, provided that the Fund complies with Rule 18f-4 under the 1940 Act. See "Derivatives" below.

#### Futures Contracts

Subject to applicable laws, the Bond Fund may purchase and sell futures contracts based on various securities, securities indexes, and other financial instruments and indexes. The Fund intends to use futures contracts only for bona fide hedging purposes. Futures contracts provide for the future sale by one party and purchase by another party of a specified amount of a specified security or financial instrument at a specified future time and at a specified price. A "sale" of a futures contract entails a contractual obligation to deliver the underlying securities or financial instruments called for by the contract, and a "purchase" of a futures contract entails a contractual obligation to acquire such securities or financial instruments, in each case in accordance with the terms of the contract. Futures contracts must be executed through a futures commission merchant, or brokerage firm, that is a member of an appropriate exchange designated as a "contract market" by the Commodity Futures Trading Commission (the "CFTC").

When the Fund purchases or sells a futures contract, the Fund must allocate certain of its assets as an initial deposit on the contract. The initial deposit may be as low as approximately 5% or less of the value of the contract. The futures contract is marked to market daily thereafter, and the Fund may be required to pay or entitled to receive additional "variation margin," based on decrease or increase in the value of the futures contract.

Futures contracts call for the actual delivery or acquisition of securities, or in the case of futures contracts based on indexes, the making or acceptance of a cash settlement at a specified future time; however, the contractual obligation is usually fulfilled before the date specified in the contract by closing out the futures contract position through the purchase or sale, on a commodities exchange, of an identical futures contract. Positions in futures contracts may be closed out only if a liquid secondary market for such contract is available, and there can be no assurance that such a liquid secondary market will exist for any particular futures contract.

The Fund's ability to hedge effectively through transactions in futures contracts depends on, among other factors, the Adviser's or the Subadviser's judgment as to the expected price movements in the securities or financial instruments underlying the futures contracts. In addition, it is possible in some circumstances that the Fund would have to sell securities from its portfolio to meet "variation margin" requirements at a time when it may be disadvantageous to do so. See "Derivatives" below.

#### Options on Futures Contracts

The Bond Fund may purchase and write options to buy or sell futures contracts in which the Fund may otherwise invest. These investment strategies may be used for hedging purposes.

An option on a futures contract provides the holder with the right to enter into a "long" position in the underlying futures contract, in the case of a call option, or a "short" position in the underlying futures contract, in the case of a put option, at a fixed exercise price up to a stated expiration date or, in the case of certain options, on such date. Upon exercise of the option by the holder, the contract market clearinghouse establishes a corresponding short position for the writer of the option, in the case of a call option, or a corresponding long position in the case of a put option. In the event that an option is exercised, the parties will be subject to all the risks associated with the trading of futures contracts, such as payment of initial and variation margin deposits. In addition, the writer of an option on a futures contract, unlike the holder, is subject to initial and variation margin requirements on the option position.

A position in an option on a futures contract may be terminated by the purchaser or seller prior to expiration by effecting a closing purchase or sale transaction, subject to the availability of a liquid secondary market, which is the purchase or sale of an option of the same series (i.e., the same exercise price and expiration date) as the option previously purchased or sold. The difference between the premiums paid and received represents the trader's profit or loss on the transaction.

Options on futures contracts that are written or purchased by the Fund on U.S. exchanges are traded on the same contract market as the underlying futures contract, and, like futures contracts, are subject to regulation by the CFTC and the performance guarantee of the exchange clearinghouse. In addition, options on futures contracts may be traded on foreign exchanges.

The Fund may cover the writing of call options on futures contracts (a) through purchases of the underlying futures contract or (b) through the holding of a call on the same futures contract and in the same principal amount as the call written where the exercise

price of the call held (i) is equal to or less than the exercise price of the call written or (ii) is greater than the exercise price of the call written if the difference is maintained by the Fund in cash and/or cash equivalents or other liquid high-grade debt securities. The Fund may cover the writing of put options on futures contracts (a) through sales of the underlying futures contract, (b) through maintenance of cash and/or cash equivalents or other liquid high-grade debt securities in an amount equal to the value of the security underlying the futures contract, or (c) through the holding of a put on the same futures contract and in the same principal amount as the put written where the exercise price of the put held is equal to or greater than the exercise price of the put written or where the exercise price of the put held is less than the exercise price of the put written if the difference is maintained by the Fund in cash and/or cash equivalents or other liquid high-grade debt securities. Put and call options on futures contracts may also be covered in such other manner as may be in accordance with the rules of the exchange on which the option is traded and applicable laws and regulations. Upon the exercise of a call option on a futures contract written by the Fund, the Fund will be required to sell the underlying futures contract, which, if the Fund has covered its obligation through the purchase of such contract, will serve to liquidate its futures position. Similarly, where a put option on a futures contract written by the Fund is exercised, the Fund will be required to purchase the underlying futures contract, which, if the Fund has covered its obligation through the sale of such contract, will close out its futures position.

The writing of a call option on a futures contract constitutes a partial hedge against declining prices of the securities or financial instruments deliverable on exercise of the futures contract. The Fund will receive an option premium when it writes the call, and, if the price of the futures contract at expiration of the option is below the option exercise price, the Fund will retain the full amount of this option premium, which provides a partial hedge against any decline that may have occurred in the Fund's security holdings. Similarly, the writing of a put option on a futures contract constitutes a partial hedge against increasing prices of the securities or financial instruments deliverable upon exercise of the futures contract. If the Fund writes an option on a futures contract and that option is exercised, the Fund may incur a loss, which loss will be reduced by the amount of the option premium received, less related transaction costs. The Fund's ability to hedge effectively through transactions in options on futures contracts depends on, among other factors, the degree of correlation between changes in the value of securities or other financial instruments held by the Fund and changes in the value of its futures positions. This correlation cannot be expected to be exact, and the Fund bears a risk that the value of the futures contract being hedged will not move in the same amount, or even in the same direction, as the hedging instrument. Thus it may be possible for the Fund to incur a loss on both the hedging instrument and the futures contract being hedged.

The Fund may purchase options on futures contracts for hedging purposes instead of purchasing or selling the underlying futures contracts. For example, where a decrease in the value of portfolio securities is anticipated as a result of a projected market wide decline or changes in interest or exchange rates, the Fund could, in lieu of selling futures contracts, purchase put options thereon. In the event that such decrease occurs, it may be offset, in whole or part, by a profit on the option. Conversely, where it is projected that the value of securities to be acquired by the Fund will increase prior to acquisition, due to a market advance or changes in interest or exchange rates, the Fund could purchase call options on futures contracts, rather than purchasing the underlying futures contracts.

Futures contracts and options on futures contracts may be entered into on U.S. exchanges regulated by the CFTC and on foreign exchanges. The securities underlying options and futures contracts traded by the Fund may include domestic as well as foreign securities, subject to the Fund's investment objectives. Investors should recognize that transactions involving foreign securities or foreign currencies, and transactions entered into in foreign countries, may involve considerations and risks not typically associated with investing in U.S. markets. See "Derivatives" below.

## **GENERAL INVESTMENT TECHNIQUES AND POLICIES APPLYING TO EACH FUND AS SPECIFIED BELOW**

### **Investment Company Securities**

Securities of other investment companies may be acquired by each of the Funds to the extent permitted under the 1940 Act and consistent with its investment objective and strategies. These limits generally require that, as determined immediately after a purchase is made, (i) not more than 5% of the value of a Fund's total assets will be invested in the securities of any one investment company, (ii) not more than 10% of the value of its total assets will be invested in the aggregate in securities of investment companies as a group, and (iii) not more than 3% of the outstanding voting stock of any one investment company will be owned by a Fund, provided, however, that a Fund may invest all of its investable assets in an open-end investment company that has the same investment objective as the Fund. Rule 12d1-4 under the 1940 Act permits acquiring funds to invest in the securities of other investment companies beyond the statutory limits, subject to certain conditions. As a shareholder of another investment company, a Fund would bear, along with other shareholders, its pro rata portion of the other investment company's expenses, including advisory fees. These expenses would be in addition to the advisory and other fees that a Fund bears directly in connection with its own operations. The main risk of investing in other investment companies is the risk that the value of the underlying securities might decrease.

## Convertible Securities

Each Fund may invest in convertible securities. Convertible securities are typically preferred stock or bonds that are convertible into common stock at a specified price or conversion ratio. Because they have the characteristics of both fixed-income securities and common stock, convertible securities are sometimes called “hybrid” securities. Convertible bonds, debentures, and notes are debt obligations offering a stated interest rate; convertible preferred stocks are senior securities of a company offering a stated dividend rate. Convertible bonds are subject to the market risk of stocks, and, like other bonds, are also subject to interest rate risk, prepayment and extension risk, and the credit risk of their issuers. Convertible securities will at times be priced in the market like other fixed-income securities — that is, their prices will tend to rise when interest rates decline and will tend to fall when interest rates rise.

However, because a convertible security provides an option to the holder to exchange the security for either a specified number of the issuer’s common shares at a stated price per share or the cash value of such common shares, the security market price will tend to fluctuate in relationship to the price of the common shares into which it is convertible. Thus, convertible securities will ordinarily provide opportunities for producing both current income and longer-term capital appreciation. Convertible bonds tend to offer lower rates of interest than nonconvertible bonds because the stock conversion feature represents increased potential for capital gains. Because convertible securities are usually viewed by the issuer as future common stock, they are generally subordinated to other senior securities and therefore are rated one category lower than the issuer’s nonconvertible debt obligations or preferred stock. Call provisions on convertible bonds may allow the issuer to repay the debt before it matures. This may hurt the Fund’s performance because it may have to reinvest the money repaid at a lower rate.

## Borrowing

Each Fund may borrow in certain limited circumstances. See “Investment Restrictions.” Borrowing creates an opportunity for increased return, but, at the same time, creates special risks. For example, borrowing may exaggerate changes in the net asset value of a Fund’s shares and in the return on the Fund’s portfolio. A Fund may be required to liquidate portfolio securities at a time when it would be disadvantageous to do so in order to make payments with respect to any borrowing, which could affect the strategy of the Adviser and Subadviser. Interest on any borrowings will be a Fund expense and will reduce the value of the Fund’s shares.

## Illiquid Investments

Each of the Stock Funds may invest up to 15% of its net assets in illiquid securities, or securities for which there is no readily available market. The Bond Fund may invest up to 15% of its net assets in illiquid securities, or securities for which there is no readily available market, including privately placed restricted securities. The absence of a trading market may make it difficult to establish a market value for illiquid securities. It may be difficult or impossible for a Fund to sell illiquid securities at the desired time and at an acceptable price.

## Rule 144A Securities

Each Fund may invest in certain restricted securities (“Rule 144A securities”) for which there is a secondary market of qualified institutional buyers, as defined in Rule 144A under the Securities Act of 1933, as amended (the “1933 Act”). Rule 144A provides an exemption from the registration requirements of the 1933 Act for the resale of certain restricted securities to qualified institutional buyers.

One effect of Rule 144A is that certain restricted securities may now be liquid, though there is no assurance that a liquid market for Rule 144A securities will develop or be maintained. The liquidity of Rule 144A and other restricted securities is determined in accordance with the Funds’ liquidity risk management program.

To the extent that liquid Rule 144A securities that a Fund holds become illiquid, due to the lack of sufficient qualified institutional buyers or market or other conditions, the percentage of that Fund’s assets invested in illiquid assets would increase. The Adviser and the applicable Subadviser will monitor a Fund’s investments in Rule 144A securities and will consider appropriate measures to enable the Fund to maintain sufficient liquidity for operating purposes and to meet redemption requests.

## Derivatives

Although it is not a principal strategy, each Fund may, but is not required to, use various investment strategies described below to hedge market risks (such as broad or specific market movements and currency exchange rates), or to seek to increase the Fund’s income or gain.

Each Fund may purchase and sell single stock, currency, or stock index futures contracts and enter into currency transactions; purchase and sell (or write) exchange-listed and over-the-counter (“OTC”) put and call options on securities, currencies, futures

contracts, indexes, and other financial instruments; enter into equity swaps and related transactions; and invest in indexed securities and other similar transactions that may be developed in the future to the extent that the applicable Subadviser determines that they are consistent with the Fund's investment objective and policies and applicable regulatory requirements (collectively, these transactions are referred to as "Derivatives"). A Fund's currency transactions may take the form of currency forward contracts, currency futures contracts and options thereof, currency swaps, and options on currencies.

The Funds are operated by persons who have claimed an exclusion from registration as a "commodity pool operator" under the Commodity Exchange Act (the "CEA"), and, therefore, are not subject to registration or regulation as a commodity pool operator.

As a result, while the Funds continue to rely on this exemption, they will remain limited in their ability to trade instruments subject to the jurisdiction of the Commodity Futures Trading Commission ("CFTC"), including commodity futures (which include futures on broad-based securities indexes and interest rate futures), options on commodity futures and swaps. This limitation also applies with respect to any indirect exposure that a Fund may have to these instruments through investments in other funds. The Funds' investment adviser may have to rely on representations from the Fund's Subadviser about the amount (or maximum permitted amount) of investment exposure that the Fund has to instruments such as commodity futures, options on commodity futures and swaps.

Under this exemption, a Fund must satisfy one of the following two trading limitations at all times: (1) the aggregate initial margin and premiums required to establish the Fund's positions in commodity futures, options on commodity futures, swaps and other CFTC-regulated instruments may not exceed 5% of the liquidation value of the Fund's portfolio (after accounting for unrealized profits and unrealized losses on any such investments); or (2) the aggregate net notional value of such instruments, determined at the time the most recent position was established, may not exceed 100% of the liquidation value of the Fund's portfolio (after accounting for unrealized profits and unrealized losses on any such positions). A Fund would not be required to consider its exposure to such instruments if they were held for "bona fide hedging" purposes, as such term is defined in the rules of the CFTC. In addition to meeting one of the foregoing trading limitations, the fund may not market itself as a commodity pool or otherwise as a vehicle for trading in the markets for CFTC-regulated instruments.

Derivatives involve special risks, including possible default by the other party to the transaction, illiquidity, and to the extent the Subadviser's view as to certain market movements is incorrect, the risk that the use of Derivatives could result in significantly greater losses than if it had not been used. See "Risk Factors Associated with Derivatives" below. The degree of a Fund's use of Derivatives may be limited by certain provisions of the Internal Revenue Code of 1986, as amended (the "Code"). See "Effects of Certain Investments and Transactions" below.

Rule 18f-4 under the Investment Company Act permits each Fund to enter into Derivatives Transactions (as defined below) and certain other transactions notwithstanding the restrictions on the issuance of "senior securities" under Section 18 of the 1940 Act. Section 18 of the 1940 Act, among other things, prohibits open-end funds, including the fund, from issuing or selling any "senior security," other than borrowing from a bank (subject to a requirement to maintain 300% "asset coverage").

Under Rule 18f-4, "Derivatives Transactions" include the following: (1) any swap, security-based swap (including a contract for differences), futures contract, forward contract, option (excluding purchased options), any combination of the foregoing, or any similar instrument, under which a Fund is or may be required to make any payment or delivery of cash or other assets during the life of the instrument or at maturity or early termination, whether as margin or settlement payment or otherwise; (2) any short sale borrowing; (3) reverse repurchase agreements and similar financing transactions (e.g., recourse and non-recourse tender option bonds, and borrowed bonds), if the fund elects to treat these transactions as Derivatives Transactions under Rule 18f-4; and (4) when-issued or forward-settling securities (e.g., firm and standby commitments, including to-be-announced ("TBA") commitments, and dollar rolls) and non-standard settlement cycle securities, unless the fund intends to physically settle the transaction and the transaction will settle within 35 days of its trade date.

Unless a Fund is relying on the Limited Derivatives User Exception (as defined below), the Fund must comply with Rule 18f-4 with respect to its Derivatives Transactions. Rule 18f-4, among other things, requires the Fund to adopt and implement a comprehensive written derivatives risk management program ("DRMP") and comply with a relative or absolute limit on Fund leverage risk calculated based on value-at-risk ("VaR"). The DRMP is administered by a "derivatives risk manager," who is appointed by the Funds' Board, including a majority of Independent Trustees, and periodically reviews the DRMP and reports to the Board.

Rule 18f-4 provides an exception from the DRMP, VaR limit and certain other requirements if a Fund's "derivatives exposure" (as defined in Rule 18f-4) is limited to 10% of its net assets (as calculated in accordance with Rule 18f-4) and the fund adopts and implements written policies and procedures reasonably designed to manage its derivatives risks (the "Limited Derivatives User Exception").

Financial reform laws enacted after the financial crisis of 2008-2009, such as the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank"), are changing many aspects of financial regulation applicable to derivatives. For instance, Dodd-Frank

calls for the comprehensive regulation of swaps by the CFTC and the Securities and Exchange Commission (the “SEC”). The CFTC and the SEC are in the process of adopting and implementing new regulations applicable to these instruments, including rules with respect to recordkeeping, reporting, business conduct, relationship documentation, margin, clearing, and trade execution requirements. In addition, Dodd-Frank requires the registration of certain parties that deal or engage in substantial trading, execution or advisory activities in the markets for swaps. New regulations are changing the derivatives markets. The regulations may make using derivatives more costly, may limit their availability, or may otherwise adversely affect their value or performance. The extent and impact of these regulations are not yet fully known and may not be known for some time.

A Fund’s use of derivatives may be affected by other applicable laws and regulations and may be subject to review by the SEC, the CFTC, exchange and market authorities and other regulators in the United States and abroad. A Fund’s ability to use derivatives may be limited by tax considerations.

Certain derivatives transactions, including certain options, swaps, forward contracts, and certain options on foreign currencies, are entered into directly by the counterparties or through financial institutions acting as market makers (OTC derivatives), rather than being traded on exchanges or in markets registered with the CFTC or the SEC. Many of the protections afforded to exchange participants will not be available to participants in OTC derivatives transactions. For example, OTC derivatives transactions are not subject to the guarantee of an exchange, and only OTC derivatives that are either required to be cleared or submitted voluntarily for clearing to a clearinghouse will enjoy the protections that central clearing provides against default by the original counterparty to the trade. In an OTC derivatives transaction that is not cleared, a Fund bears the risk of default by its counterparty. In a cleared derivatives transaction, a Fund is instead exposed to the risk of default of the clearinghouse and, to the extent a Fund has posted any margin, the risk of default of the broker through which it has entered into the transaction. Information available on counterparty creditworthiness may be incomplete or outdated, thus reducing the ability to anticipate counterparty defaults.

Derivatives involve operational risk. There may be incomplete or erroneous documentation or inadequate collateral or margin, or transactions may fail to settle. For derivatives not guaranteed by an exchange or clearinghouse, a Fund may have only contractual remedies in the event of a counterparty default, and there may be delays, costs, disagreements as to the meaning of contractual terms and litigation in enforcing those remedies.

#### Currency Transactions

Each Fund may engage in currency transactions with counterparties to hedge the value of portfolio securities denominated in particular currencies against fluctuations in relative value or to generate income or gain. Currency transactions include currency forward contracts, exchange-listed currency futures contracts and options thereon, exchange-listed and OTC options on currencies, and currency swaps. A currency forward contract involves a privately negotiated obligation to purchase or sell (with delivery generally required) a specific currency at a future date, which may be any fixed number of days from the date of the contract agreed upon by the parties, at a price set at the time of the contract. A currency swap is an agreement to exchange cash flows based on the notional difference between two or more currencies and operates similarly to an equity swap, which is described below under “Equity Swaps and Related Transactions.” The Funds may enter into currency transactions only with counterparties that the applicable Subadviser deems to be creditworthy.

Each Fund may enter into currency forward contracts when the Subadviser believes that the currency of a particular country may suffer a substantial decline against the U.S. dollar. In those circumstances, each Fund may enter into a currency forward contract to sell, for a fixed amount of U.S. dollars, the amount of that currency approximating the value of some or all of the Fund’s portfolio securities denominated in such currency. Currency forward contracts may limit potential gain from a positive change in the relationship between the U.S. dollar and foreign currencies.

Transaction hedging is entering into a currency transaction with respect to specific assets or liabilities of a Fund, which will generally arise in connection with the purchase or sale of a Fund’s portfolio securities or the receipt of income from them. Position hedging is entering into a currency transaction with respect to portfolio securities positions denominated or generally quoted in that currency. No Fund will enter into a transaction to hedge currency exposure to an extent greater, after netting all transactions intended wholly or partially to offset other transactions, than the aggregate market value (at the time of entering into the transaction) of the securities held by the Fund that are denominated or generally quoted in or currently convertible into the currency, other than with respect to proxy hedging as described below.

Each Fund may cross-hedge currencies by entering into transactions to purchase or sell one or more currencies that are expected to increase or decline in value relative to other currencies to which the Fund has or in which the Fund expects to have exposure. To reduce the effect of currency fluctuations on the value of existing or anticipated holdings of its securities, each Fund may also engage in proxy hedging. Proxy hedging is often used when the currency to which the Fund’s holdings are exposed is difficult to hedge generally or difficult to hedge against the dollar. Proxy hedging entails entering into a forward contract to sell a currency, the changes in the value of which are generally considered to be linked to a currency or currencies in which some or all of the Fund’s securities are

or are expected to be denominated, and to buy dollars. The amount of the contract would not exceed the market value of the Fund's securities denominated in linked currencies.

Currency transactions are subject to risks different from other portfolio transactions, as discussed below under "Risk Factors Associated with Derivatives."

#### Futures Contracts

Each Fund may trade futures contracts: (1) on domestic and foreign exchanges on currencies; and (2) on domestic and foreign exchanges on single stocks and stock indexes. Futures contracts are generally bought and sold on the commodities exchanges on which they are listed with payment of initial and variation margin as described below. The sale of a futures contract creates a firm obligation by the Fund, as seller, to deliver to the buyer the specific type of financial instrument called for in the contract at a specific future time for a specified price (or with respect to certain instruments, the net cash amount). A Fund's use of financial futures contracts and options thereon will in all cases be consistent with applicable regulatory requirements and in particular the rules and regulations of the Commodity Futures Trading Commission (CFTC). Maintaining a futures contract or selling an option on a futures contract will typically require a Fund to deposit with a financial intermediary, as security for its obligations, an amount of cash or other specified assets ("initial margin") that initially is from 1% to 10% of the face amount of the contract (but may be higher in some circumstances particularly in the case of single stock futures). Additional cash or assets ("variation margin") may be required to be deposited thereafter daily as the mark-to-market value of the futures contract fluctuates. The value of all futures contracts sold by a Fund (adjusted for the historical volatility relationship between the Fund and the contracts) will not exceed the total market value of the Fund's securities. In addition, the value of the Fund's long futures and options positions (futures contracts on single stocks, stock indexes, or foreign currencies and call options on such futures contracts) will not exceed the sum of: (a) liquid assets segregated for this purpose; (b) cash proceeds on existing investments due within 30 days; and (c) accrued profits on the particular futures or options positions.

#### Single Stock Futures

Recent legislation permits the trading on U.S. exchanges of standardized futures contracts on individual equity securities, such as common stocks, exchange-traded funds, and American Depositary Receipts, as well as narrow-based securities indexes, generally called security futures contracts or "SFCs." As with other futures contracts, an SFC involves an agreement to purchase or sell in the future a specific quantity of shares of a security or the component securities of the index. The initial margin requirements (typically 20%) are generally higher than with other futures contracts. Trading SFCs involves many of the same risks as trading other futures contracts, including the risks involved with leverage, and losses are potentially unlimited. Under certain market conditions, for example if trading is halted due to unusual trading activity in either the SFC or the underlying security due to recent new events involving the issuer of the security, it may be difficult or impossible for a Fund to liquidate its position or manage risk by entering into an offsetting position. In addition, the prices of the SFCs may not correlate as anticipated with the prices of the underlying security. And unlike options on securities in which a Fund may invest, where the Fund has a position in a SFC, the Fund has both the right and the obligation to buy or sell the security at a future date, or otherwise offset its position.

#### Options

In order to hedge against adverse market shifts or to increase income or gain, each Fund may purchase put and call options or write "covered" put and call options on futures contracts on stock indexes, and currencies. In addition, in order to hedge against adverse market shifts or to increase its income, each Fund may purchase put and call options and write "covered" put and call options on securities, indexes, currencies, and other financial instruments. Each Fund may utilize options on currencies in order to hedge against currency exchange rate risks. A call option is "covered" if, so long as the Fund is obligated as the writer of the option, it will: (i) own the underlying investment subject to the option, (ii) own securities convertible or exchangeable without the payment of any consideration into the securities subject to the option, (iii) own a call option on the relevant security or currency with an exercise price no higher than the exercise price on the call option written, or (iv) deposit with its custodian in a segregated account liquid assets having a value equal to the excess of the value of the security or index that is the subject of the call over the exercise price. A put option is "covered" if, to support its obligation to purchase the underlying investment when a put option that a Fund writes is exercised, the Fund will either (a) deposit with its custodian in a segregated account liquid assets having a value at least equal to the exercise price of the underlying investment or (b) continue to own an equivalent number of puts of the same "series" (that is, puts on the same underlying investment having the same exercise prices and expiration dates as those written by the Fund), or an equivalent number of puts of the same "class" (that is, puts on the same underlying investment) with exercise prices greater than those that it has written (or, if the exercise prices of the puts it holds are less than the exercise prices of those it has written, it will deposit the difference with its custodian in a segregated account).

Parties to options transactions must make certain payments and/or set aside certain amounts of assets in connection with each transaction, as described below.

In all cases, by writing a call, a Fund will limit its opportunity to profit from an increase in the market value of the underlying investment above the exercise price of the option for as long as the Fund's obligation as writer of the option continues. By writing a put, a Fund bears the risk of a decrease in the market value of the underlying investment below the exercise price of the option for as long as the Fund's obligation as writer of the option continues. Upon the exercise of a put option written by a Fund, the Fund may suffer an economic loss equal to the difference between the price at which the Fund is required to purchase the underlying investment and its market value at the time of the option exercise, less the premium received for writing the option. Upon the exercise of a call option written by a Fund, the Fund may suffer an economic loss equal to an amount not less than the excess of the investment's market value at the time of the option exercise over the Fund's acquisition cost of the investment, less the sum of the premium received for writing the option and the positive difference, if any, between the call price paid to the Fund and the Fund's acquisition cost of the investment.

In all cases, in purchasing a put option, each Fund will seek to benefit from, or protect against, a decline in the market price of the underlying investment, while in purchasing a call option, each Fund will seek to benefit from an increase in the market price of the underlying investment. If an option purchased is not sold or exercised when it has remaining value, or if the market price of the underlying investment remains equal to or greater than the exercise price, in the case of a put, or remains equal to or below the exercise price, in the case of a call, during the life of the option, the Fund will lose its investment in the option. For the purchase of an option to be profitable, the market price of the underlying investment must decline sufficiently below the exercise price, in the case of a put, and must increase sufficiently above the exercise price, in the case of a call, to cover the premium and transaction costs.

Each Fund may choose to exercise the options it holds, permit them to expire, or terminate them prior to their expiration by entering into closing transactions. Each Fund may enter into a closing purchase transaction in which the Fund purchases an option having the same terms as the option it had written or a closing sale transaction in which the Fund sells an option having the same terms as the option it had purchased. A covered option writer unable to effect a closing purchase transaction will not be able to sell the underlying security until the option expires or the underlying security is delivered upon exercise, with the result that the writer will be subject to the risk of market decline in the underlying security during such period. Should a Fund choose to exercise an option, the Fund will receive, in the case of a call option, or sell in the case of a put option, the securities, commodities, or commodity futures contracts underlying the exercised option.

Exchange-listed options on securities and currencies, with certain exceptions, generally settle by physical delivery of the underlying security or currency, although in the future, cash settlement may become available. Frequently, rather than taking or making delivery of the underlying instrument through the process of exercising the option, listed options are closed by entering into offsetting purchase or sale transactions that do not result in ownership of the new option. Index options are cash settled for the net amount, if any, by which the option is "in-the-money" (that is, the amount by which the value of the underlying instrument exceeds, in the case of a call option, or is less than, in the case of a put option, the exercise price of the option) at the time the option is exercised.

Put options and call options typically have similar structural characteristics and operational mechanics regardless of the underlying instrument on which they are purchased or sold. Thus, the following general discussion relates to each of the particular types of options discussed in greater detail below.

A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the writer of the obligation to buy, the underlying security, index, currency, or other instrument at the exercise price. Each Fund's purchase of a put option on a security, for example, might be designed to protect its holdings in the underlying instrument (or, in some cases, a similar instrument) against a substantial decline in the market value of such instrument by giving the Fund the right to sell the instrument at the option exercise price. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller the obligation to sell, the underlying instrument at the exercise price. A Fund's purchase of a call option on a security, financial futures contract, index, currency, or other instrument might be intended to protect the Fund against an increase in the price of the underlying instrument that it intends to purchase in the future by fixing the price at which it may purchase the instrument. An "American" style put or call option may be exercised at any time during the option period, whereas a "European" style put or call option may be exercised only upon expiration or during a fixed period prior to expiration. Exchange-listed options are issued by a regulated intermediary such as the Options Clearing Corporation ("OCC"), which guarantees the performance of the obligations of the parties to the options. The discussion below uses the OCC as an example, but may also be applicable to other similar financial intermediaries.

OCC-issued and exchange-listed options, including options on securities, currencies, and financial instruments, generally settle for cash, although physical settlement may be required in some cases. Index options are cash settled for the net amount, if any, by which the option is "in-the-money" (that is, the amount by which the value of the underlying instrument exceeds, in the case of a call option, or is less than, in the case of a put option, the exercise price of the option) at the time the option is exercised. Frequently, rather than taking or making delivery of the underlying instrument through the process of exercising the option, listed options are closed by entering into offsetting purchase or sale transactions that do not result in ownership of the new option.

A Fund's ability to close out its position as a purchaser or seller of an OCC-issued or exchange-listed put or call option is dependent, in part, upon the liquidity of the particular option market. Among the possible reasons for the absence of a liquid option market on an exchange are: (1) insufficient trading interest in certain options, (2) restrictions on transactions imposed by an exchange, (3) trading halts, suspensions, or other restrictions imposed with respect to particular classes or series of options or underlying securities, including reaching daily price limits, (4) interruption of the normal operations of the OCC or an exchange, (5) inadequacy of the facilities of an exchange or the OCC to handle current trading volume, or (6) a decision by one or more exchanges to discontinue the trading of options (or a particular class or series of options), in which event the relevant market for that option on that exchange would cease to exist, although any such outstanding options on that exchange would continue to be exercisable in accordance with their terms.

The hours of trading for listed options may not coincide with the hours during which the underlying financial instruments are traded. To the extent that the option markets close before the markets for the underlying financial instruments, significant price and rate movements can take place in the underlying markets that would not be reflected in the corresponding option markets.

OTC options are purchased from or sold to securities dealers, financial institutions, or other parties (collectively referred to as "Counterparties" and individually referred to as a "Counterparty") through a direct bilateral agreement with the Counterparty. In contrast to exchange-listed options, which generally have standardized terms and performance mechanics, all of the terms of an OTC option, including such terms as method of settlement, term, exercise price, premium, guaranties, and security, are determined by negotiation of the parties. It is anticipated that each Fund will generally only enter into OTC options that have cash settlement provisions, although it will not be required to do so.

Unless the parties provide for it, no central clearing or guaranty function is involved in an OTC option. As a result, if a Counterparty fails to make or take delivery of the security, currency, or other instrument underlying an OTC option it has entered into with a Fund or fails to make a cash settlement payment due in accordance with the terms of that option, the Fund will lose any premium it paid for the option as well as any anticipated benefit of the transaction. Thus, the Subadviser must assess the creditworthiness of each such Counterparty or any guarantor or credit enhancement of the counterparty's credit to determine the likelihood that the terms of the OTC option will be met. A Fund will enter into OTC option transactions only with U.S. government securities dealers recognized by the Federal Reserve Bank of New York as "primary dealers," or broker-dealers, domestic or foreign banks, or other financial institutions that the Subadviser deems to be creditworthy. In the absence of a change in the current position of the staff of the SEC, OTC options purchased by a Fund and the amount of the Fund's obligation pursuant to an OTC option sold by the Fund (the cost of the sell-back plus the in-the-money amount, if any) or the value of the assets held to cover such options will be deemed illiquid.

If a Fund sells a call option, the premium that it receives may serve as a partial hedge, to the extent of the option premium, against a decrease in the value of the underlying securities or instruments held by the Fund or will increase the Fund's income. Similarly, the sale of put options can also provide gains for a Fund.

Each Fund may purchase and sell call options on securities that are traded on U.S. and foreign securities exchanges and in the OTC markets, and on securities indexes, currencies, and futures contracts. All calls sold by a Fund must be "covered" (that is, the Fund must own the securities or futures contract subject to the call). Even though a Fund will receive the option premium to help protect it against loss, a call sold by the Fund will expose the Fund during the term of the option to possible loss of opportunity to realize appreciation in the market price of the underlying security or instrument and may require the Fund to hold a security or instrument that it might otherwise have sold.

Each Fund reserves the right to purchase or sell options on instruments and indexes that may be developed in the future to the extent consistent with applicable law, the Fund's investment objective, and the restrictions set forth herein.

Each Fund may purchase and sell put options on securities (whether or not it holds the securities in its portfolio) and on securities indexes, currencies, and futures contracts. In selling put options, a Fund faces the risk that it may be required to buy the underlying security at a disadvantageous price above the market price.

(a) **OPTIONS ON STOCKS AND STOCK INDEXES.** Each Fund may purchase put and call options and write covered put and call options on stocks and stock indexes listed on domestic and foreign securities exchanges in order to hedge against movements in the equity markets or to increase income or gain to the Fund. In addition, each Fund may purchase options on stocks that are traded over-the-counter. Options on stock indexes are similar to options on specific securities. However, because options on stock indexes do not involve the delivery of an underlying security, the option represents the holder's right to obtain from the writer cash in an amount equal to a fixed multiple of the amount by which the exercise price exceeds (in the case of a put) or is less than (in the case of a call) the closing value of the underlying stock index on the exercise date. Options traded may include the Standard & Poor's 100 Index of Composite Stocks, Standard & Poor's 500 Index of Composite Stocks (the "S&P 500 Index"), the New York Stock Exchange ("NYSE") Composite Index, the American Stock Exchange ("AMEX") Market Value Index, the National Over-the-Counter Index, and other standard broadly based stock market indexes. Options are also



traded in certain industry or market segment indexes such as the Computer Technology Index and the Transportation Index. Stock index options are subject to position and exercise limits and other regulations imposed by the exchange on which they are traded.

If the Subadviser expects general stock market prices to rise, a Fund might purchase a call option on a stock index or a futures contract on that index as a hedge against an increase in prices of particular equity securities it wants ultimately to buy. If the stock index does rise, the price of the particular equity securities intended to be purchased may also increase, but that increase would be offset in part by the increase in the value of the Fund's index option or futures contract resulting from the increase in the index. If, on the other hand, the Subadviser expects general stock market prices to decline, it might purchase a put option or sell a futures contract on the index. If that index does decline, the value of some or all of the equity securities in the Fund's portfolio may also be expected to decline, but that decrease would be offset in part by the increase in the value of the Fund's position in such put option or futures contract.

(b) **OPTIONS ON CURRENCIES.** Each Fund may invest in options on currencies traded on domestic and foreign securities exchanges in order to hedge against currency exchange rate risks or to increase income or gain, as described above in "Currency Transactions."

(c) **OPTIONS ON FUTURES CONTRACTS.** Each Fund may purchase put and call options and write covered put and call options on futures contracts on stock indexes, and currencies traded on domestic and, to the extent permitted by the CFTC, foreign exchanges, in order to hedge all or a portion of its investments or to increase income or gain and may enter into closing transactions in order to terminate existing positions. There is no guarantee that such closing transactions can be effected. An option on a stock index futures contract or currency futures contract, as contrasted with the direct investment in such a contract, gives the purchaser the right, in return for the premium paid, to assume a position in the underlying contract at a specified exercise price at any time on or before the expiration date of the option. Upon exercise of an option, the delivery of the futures position by the writer of the option to the holder of the option will be accompanied by delivery of the accumulated balance in the writer's futures margin account. The potential loss related to the purchase of an option on a futures contract is limited to the premium paid for the option (plus transaction costs). While the price of the option is fixed at the point of sale, the value of the option does change daily and the change would be reflected in the net asset value of the Fund.

The purchase of an option on a financial futures contract involves payment of a premium for the option without any further obligation on the part of a Fund. If a Fund exercises an option on a futures contract it will be obligated to post initial margin (and potentially variation margin) for the resulting futures position just as it would for any futures position. Futures contracts and options thereon are generally settled by entering into an offsetting transaction, but no assurance can be given that a position can be offset prior to settlement or that delivery will occur.

## COMBINED TRANSACTIONS

Each Fund may enter into multiple transactions, including multiple options transactions, multiple futures transactions, multiple currency transactions (including forward currency contracts), and any combination of futures, options, and currency transactions, instead of a single Derivative, as part of a single or combined strategy when, in the judgment of the Subadviser, it is in the best interests of a Fund to do so. A combined transaction will usually contain elements of risk that are present in each of its component transactions. Although combined transactions will normally be entered into by Fund based on the Subadviser's judgment that the combined strategies will reduce risk or otherwise more effectively achieve the desired portfolio management goal, it is possible that the combination will instead increase the risks or hinder achievement of the Fund's objective.

## RISK FACTORS ASSOCIATED WITH DERIVATIVES

Derivatives have special risks associated with them, including possible default by the counterparty to the transaction, illiquidity, and, to the extent the Subadviser's view as to certain market movements is incorrect, the risk that the use of the Derivatives could result in losses greater than if they had not been used. Use of put and call options could result in losses to a Fund, force the sale or purchase of portfolio securities at inopportune times or for prices higher than (in the case of put options) or lower than (in the case of call options) current market values, or cause the Fund to hold a security it might otherwise sell.

The absence of a central exchange or market for swap transactions has led, in some Instances, to difficulties in trading and valuation, especially in the event of market disruptions. New regulations require many kinds of swaps to be executed through a regulated exchange or market facility and cleared through a regulated clearinghouse. The establishment of a centralized exchange or market for swap transactions may disrupt or limit the swap market and may not result in swaps being easier to trade or value. Market-traded swaps may become more standardized, and a Fund may not be able to enter into swaps that meet its investment needs. A Fund also may not be able to find a clearinghouse willing to accept the swaps for clearing. The new regulations may make using swaps more costly, may limit their availability, or may otherwise adversely affect their value or performance. A Fund will be required to trade

many swaps through a broker who is a member of the clearinghouse. The broker may require a Fund to post margin to the broker as a down payment on the Fund's obligations and may change the amount of margin required from time to time. A Fund may not be able to recover margin amounts if the broker has financial difficulties. Also, the broker may require a Fund to terminate a derivatives position under certain circumstances. This may cause a Fund to lose money. The clearinghouse will be a Fund's counterparty for the derivatives trades. A Fund will take the risk that the counterparty defaults. A Fund also may be exposed to additional risks as a result of the new regulations. The extent and impact of the new regulations are not yet fully known and may not be for some time.

The use of futures and options transactions entails certain special risks. In particular, the variable degree of correlation between price movements of futures contracts and price movements in the related securities position of a Fund could create the possibility that losses on the hedging instrument are greater than gains in the value of the Fund's position. In addition, futures and options markets could be illiquid in some circumstances and certain OTC options could have no markets. As a result, in certain markets, a Fund might not be able to close out a transaction without incurring substantial losses. Although a Fund's use of futures and options transactions for hedging should tend to minimize the risk of loss due to a decline in the value of the hedged position, at the same time it will tend to limit any potential gain to the Fund that might result from an increase in value of the position. There is also the risk of loss by a Fund of margin deposits in the event of bankruptcy of a broker with whom the Fund has an open position in a futures contract or option thereon. Finally, the daily variation margin requirements for futures contracts create a greater ongoing potential financial risk than would purchases of options, in which case the exposure is limited to the cost of the initial premium. However, because option premiums paid by a Fund are small in relation to the market value of the investments underlying the options, buying options can result in large amounts of leverage. The leverage offered by trading in options could cause the Fund's net asset value to be subject to more frequent and wider fluctuation than would be the case if the Fund did not invest in options.

As is the case with futures and options strategies, the effective use of swaps and related transactions by a Fund may depend, among other things, on the Fund's ability to terminate the transactions at times when the Subadviser deems it desirable to do so. To the extent a Fund does not, or cannot, terminate such a transaction in a timely manner, the Fund may suffer a loss in excess of any amounts that it may have received, or expected to receive, as a result of entering into the transaction.

Recent legislation will require most swaps to be executed through a centralized exchange or regulated facility and be cleared through a regulated clearinghouse. The swap market could be disrupted or limited as a result of this legislation, which could adversely affect a Fund. Moreover, the establishment of a centralized exchange or market for swap transactions may not result in swaps being easier to trade or value.

Currency hedging involves some of the same risks and considerations as other transactions with similar instruments. Currency transactions can result in losses to a Fund if the currency being hedged fluctuates in value to a degree or in a direction that is not anticipated. Further, the risk exists that the perceived linkage between various currencies may not be present or may not be present during the particular time that a Fund is engaging in proxy hedging. Currency transactions are also subject to risks different from those of other portfolio transactions. Because currency control is of great importance to the issuing governments and influences economic planning and policy, purchases and sales of currency and related instruments can be adversely affected by government exchange controls, limitations or restrictions on repatriation of currency, and manipulations or exchange restrictions imposed by governments. These forms of governmental actions can result in losses to a Fund if it is unable to deliver or receive currency or monies in settlement of obligations and could also cause hedges it has entered into to be rendered useless, resulting in full currency exposure as well as incurring transaction costs. Buyers and sellers of currency futures contracts are subject to the same risks that apply to the use of futures contracts generally. Further, settlement of a currency futures contract for the purchase of most currencies must occur at a bank based in the issuing nation. Trading options on currency futures contracts is relatively new, and the ability to establish and close out positions on these options is subject to the maintenance of a liquid market that may not always be available. Currency exchange rates may fluctuate based on factors extrinsic to that country's economy.

Because the amount of interest and/or principal payments that the issuer of indexed securities is obligated to make is linked to the prices of other securities, securities indexes, currencies, or other financial indicators, such payments may be significantly greater or less than payment obligations in respect of other types of debt securities. As a result, an investment in indexed securities may be considered speculative. Moreover, the performance of indexed securities depends to a great extent on the performance of and may be more volatile than the security, currency, or other instrument to which they are indexed, and may also be influenced by interest rate changes in the United States and abroad. At the same time, indexed securities are subject to the credit risks associated with the issuer of the security, and their values may decline substantially if the issuer's creditworthiness deteriorates.

Losses resulting from the use of Derivatives will reduce a Fund's net asset value, and possibly income, and the losses can be greater than if Derivatives had not been used.

## Reverse Repurchase Agreements

Each of the Funds may enter into reverse repurchase agreements. A reverse repurchase agreement involves the sale of portfolio securities by a Fund to a broker-dealer or other financial institution, with an agreement by the Fund to repurchase the securities at an agreed-upon price, date, and interest payment, and are considered borrowings by the Fund and are subject to any borrowing limitations set forth under “Investment Restrictions” in this Statement of Additional Information. A Fund may have an opportunity to earn a greater rate of interest on the investment of the cash proceeds of the sale. However, opportunities to realize earnings from the use of the proceeds equal to or greater than the interest required to be paid by the Fund under the reverse repurchase agreement may not always be available. The use of reverse repurchase agreements involves the speculative factor known as “leverage” and may exaggerate any interim increase or decrease in the value of the Fund’s assets. If a Fund enters into a reverse repurchase agreement, the Fund will maintain assets with its custodian having a value equal to or greater than the value of its commitments under the agreement. Reverse repurchase agreements are considered to be a form of borrowing. Reverse repurchase agreements involve the risk that the market value of the securities sold by the Fund may decline below the repurchase price of those securities, that the assets purchased with the proceeds of the agreement decline in value, or that the buyer under a reverse repurchase agreement files for bankruptcy or becomes insolvent. A Fund to enter into reverse repurchase agreements and similar financing transactions (e.g., recourse and non-recourse tender option bonds, borrowed bonds) notwithstanding the limitation on the issuance of senior securities in Section 18 of the 1940 Act, provided that the Fund complies with the asset coverage requirements of Section 18 and combines the aggregate amount of indebtedness associated with all reverse repurchase agreements or similar financing transactions with the aggregate amount of any other senior securities representing indebtedness when calculating the asset coverage ratio, or treats all reverse repurchase agreements or similar financing transactions as Derivatives Transactions for all purposes under Rule 18f-4 under the 1940 Act. The DRMP currently provides that reverse repurchase agreements will not be treated as derivatives for purposes of the DRMP and will be subject to the asset coverage requirements of Section 18. See “Derivatives.”

## Repurchase Agreements

Each Fund may invest in repurchase agreements that are fully collateralized by securities in which the Fund may otherwise invest. A repurchase agreement involves the purchase of a security that must later be sold back to the seller (which is usually a member bank of the U.S. Federal Reserve System or a member firm of the NYSE or a subsidiary thereof) at an agreed time (usually not more than seven days from the date of purchase) and price. The resale price reflects the purchase price plus an agreed-upon market rate of interest. Under the Investment Company Act of 1940, as amended (the “1940 Act”), repurchase agreements may be considered to be loans by the buyer. If the seller defaults, the underlying security constitutes collateral for the seller’s obligation to pay, although a Fund may incur certain costs in liquidating this collateral and in certain cases may not be permitted to liquidate this collateral. In the event of the bankruptcy of the other party to a repurchase agreement, a Fund could experience delays in recovering either the securities or cash. To the extent that, in the meantime, the value of the securities purchased has decreased, a Fund could experience a loss.

## Non-U.S. Investments

Each of the Funds may invest in securities of foreign issuers. Investments in foreign securities involve risks relating to political, social, and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and foreign issuers and markets are subject. In the event unforeseen exchange controls or foreign withholding taxes are imposed with respect to any Fund’s investments, the effect may be to reduce the income received by the Fund on such investments.

A Fund also may hold securities of non-U.S. issuers in the form of American Depositary Receipts (“ADRs”). Generally, ADRs in registered form are designed for use in U.S. securities markets. ADRs are denominated in U.S. dollars and represent an interest in the right to receive securities of non-U.S. issuers deposited in a U.S. bank or correspondent bank. ADRs do not eliminate all the risk inherent in investing in the securities of non-U.S. issuers. However, by investing in ADRs rather than directly in equity securities of non-U.S. issuers, the Fund will avoid currency risks during the settlement period for either purchases or sales. For purposes of the Fund’s investment policies, investments in ADRs and similar instruments will be deemed to be investments in the underlying equity securities of non-U.S. issuers. The Equity Fund may acquire depositary receipts from banks that do not have a contractual relationship with the issuer of the security underlying the depositary receipt to issue and secure such depositary receipt. To the extent the Fund invests in such unsponsored depositary receipts there may be an increased possibility that the Fund may not become aware of events affecting the underlying security and thus the value of the related depositary receipt. In addition, certain benefits (i.e., rights offerings) that may be associated with the security underlying the depositary receipt may not inure to the benefit of the holder of such depositary receipt.

## Loans of Securities

Consistent with applicable regulatory policies, including those of the Board of Governors of the Federal Reserve System and the SEC, each Fund may make loans of its securities to brokers, dealers, or other financial institutions, provided that (a) the loan is secured

continuously by collateral, consisting of securities, cash, or cash equivalents, which is marked to market daily to ensure that each loan is fully collateralized, at all times, (b) the applicable Fund may at any time call the loan and obtain the return of the securities loaned within three business days, (c) the applicable Fund will receive any interest or dividends paid on the securities loaned, and (d) the aggregate market value of securities loaned will not at any time exceed 30% of the total assets of the applicable Fund. Each Fund reserves the right to recall loaned securities so that it may exercise voting rights on loaned securities according to the Fund's Proxy Voting Policy and Procedures.

A Fund will earn income for lending its securities either in the form of fees received from the borrower of the securities or in connection with the investment of cash collateral in short-term money market instruments. A Fund will continue to have market risk and other risks associated with owning the securities on loan, as well as the risks associated with the investment of the cash collateral received in connection with the loan. Loans of securities involve a risk that the borrower may fail to return the securities or may fail to provide additional collateral, and the risk that the Fund is unable to recall a security in time to exercise voting rights or sell the security.

Where the collateral received is cash, the cash will be invested and the Fund will be entitled to a share of the income earned on the investment, but will also be subject to investment risk on the collateral and will bear the entire amount of any loss in connection with investment of such collateral.

In connection with lending securities, a Fund may pay reasonable finders, administrative, and custodial fees. No such fees will be paid to any person if it or any of its affiliates is affiliated with the applicable Fund, Domini, or the applicable Subadviser.

Fees and expenses paid by a Fund in connection with loans of securities are not reflected in the fee table or expense example in the Fund's prospectus. If the income earned on the investment of the cash collateral is insufficient to pay these amounts or if the value of the securities purchased with such cash collateral declines, a Fund may take a loss on the loan. Where a Fund receives securities as collateral, the Fund will earn no income on the collateral, but will earn a fee from the borrower.

The Funds do not currently engage in securities lending.

#### Options on Securities and Indexes

A Fund may enter into certain transactions in options involving securities in which the Fund may otherwise invest and options in indexes based on securities in which the Fund may otherwise invest. Each Fund may enter into such options transactions for the purpose of hedging against possible increases in the value of securities that are expected to be purchased by the respective Fund or possible declines in the value of securities that are expected to be sold by that Fund.

The purchase of an option on a security provides the holder with the right, but not the obligation, to purchase the underlying security, in the case of a call option, or to sell the underlying security, in the case of a put option, for a fixed price at any time up to a stated expiration date. The holder is required to pay a nonrefundable premium, which represents the purchase price of the option. The holder of an option can lose the entire amount of the premium, plus related transaction costs, but not more. Upon exercise of the option, the holder is required to pay the purchase price of the underlying security in the case of a call option, or deliver the security in return for the purchase price in the case of a put option.

Prior to exercise or expiration, an option position may be terminated only by entering into a closing purchase or sale transaction. This requires a secondary market on the exchange on which the position was originally established. While a Fund would establish an option position only if there appears to be a liquid secondary market therefore, there can be no assurance that such a market will exist for any particular option contract at any specific time. In that event, it may not be possible to close out a position held by a Fund, and that Fund could be required to purchase or sell the instrument underlying an option, make or receive a cash settlement, or meet ongoing variation margin requirements. The inability to close out option positions also could have an adverse impact on a Fund's ability effectively to hedge its portfolio.

Options on securities indexes are similar to options on securities, except that the exercise of securities index options requires cash payments and does not involve the actual purchase or sale of securities. In addition, securities index options are designed to reflect price fluctuations in a group of securities or segments of the securities market rather than price fluctuations in a single security.

Transactions by a Fund in options on securities will be subject to limitations established by each of the exchanges, boards of trade, or other trading facilities governing the maximum number of options in each class that may be written or purchased by a single investor or group of investors acting in concert. Thus, the number of options that a Fund may write or purchase may be affected by options written or purchased by other investment advisory clients of Domini or a Subadviser. An exchange, board of trade, or other trading facility may order the liquidations of positions found to be in excess of these limits, and it may impose certain other sanctions.

## Short Sales

Short sales of securities are transactions in which a Fund sells a security it does not own in anticipation of a decline in the market value of the security. To complete such a transaction, the Fund must borrow the security to make delivery to the buyer. The Fund then is obligated to replace the security borrowed by purchasing it at the market price at or prior to the time of replacement. The price at such time may be more or less than the price at which the security was sold by the Fund. Until the security is replaced, the Fund is required to repay the lender any dividends or interest paid during the period of the loan. To borrow the security, the Fund also may be required to pay a premium, which would increase the cost of the security sold short. A portion of the net proceeds of the short sale may be retained by the broker (or by the Fund's custodian in a special custody account) to the extent necessary to meet margin sales. The Fund will incur a loss as a result of the short sale if the price of the security increases between the date of the short sale and the date on which the Fund replaces the borrowed security. The amount of any gain will be decreased, and the amount of any loss increased, by the amount of premiums, dividends, interest, or expenses the Fund may be required to pay in connection with a short sale. An increase in the value of a security sold short by the Fund over the price which it was sold short will result in a loss to the Fund, and there can be no assurance that the Fund will be able to close out the position at any particular time or at an acceptable price. Where short sales are not against the box, losses may be unlimited.

Although they have no current intention to do so, each Fund may enter into a short sale if it is "against the box." If a Fund enters into a short sale against the box, it will be required to set aside securities equivalent in kind and amount to the securities sold short (or securities convertible or exchangeable into such securities at no additional cost to the Fund) and will be required to hold such securities while the short sale is outstanding. A Fund will incur transaction costs, including interest expense, in connection with opening, maintaining, and closing short sales against the box. If a Fund engages in any short sales against the box, it will incur the risk that the security sold short will appreciate in value after the sale, with the result that the Fund will lose the benefit of any such appreciation. A Fund may make short sales both as a form of hedging to offset potential declines in long positions in similar securities and in order to maintain portfolio flexibility. Short sales may be subject to special tax rules, one of the effects of which may be to accelerate income to a Fund.

A Fund must comply with Rule 18f-4 under the Investment Company Act with respect to its short positions against the box, which are considered Derivatives Transactions under the Rule. See "Derivatives" above.

## Cash Reserves

Each Fund may invest cash reserves in short-term debt securities (i.e., securities having a remaining maturity of one year or less) issued by agencies or instrumentalities of the United States government, bankers' acceptances, commercial paper, certificates of deposit, bank deposits, or repurchase agreements, provided that the issuer satisfies certain social criteria. Some of the investments will be with community development banks and financial institutions and may not be insured by the FDIC. The Funds do not currently intend to invest in direct obligations of the United States government. Short-term debt instruments purchased by a Fund will be rated at least P-1 by Moody's, A-1+ or A-1 by S&P, or F1+ or F1 by Fitch, or if not rated, determined to be of comparable quality by the Board of Trustees. The Equity Fund's policy is to hold its assets in such securities in order to meet anticipated redemption requests.

## PORTFOLIO TURNOVER

A portfolio turnover rate is, in summary, the percentage computed by dividing the lesser of a Fund's purchases or sales of securities (excluding short-term securities) by the average market value of the Fund. The below sets forth the Fund's portfolio turnover rates for the last two fiscal years. A rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once over the course of a year. High portfolio turnover rate may affect the amount, timing and character of distributions. Higher portfolio turnover also results in higher transaction costs. Portfolio turnover rate may vary greatly from year to year as well as within a particular year.

Fund	Portfolio Turnover Rate (FYE 7/31/2024)	Portfolio Turnover Rate (FYE 7/31/2023)
Equity Fund .....	9%	9%
International Opportunities Fund .....	17%	18%
Sustainable Solutions Fund.....	45%	39%
International Equity Fund .....	89%	90%
Bond Fund .....	258%**	278%**

\*\* The Bond Fund's portfolio turnover rate for the fiscal years ended July 31, 2023, and 2024 was impacted by investments in certain securities subject to periodic roll activity.

## PROXY VOTING POLICIES

Each Fund has adopted proxy voting policies and procedures that seek to ensure that all proxies for securities held by that Fund are cast in the best interests of the Fund's shareholders. Because each Fund has a fiduciary duty to vote all shares in the best interests of its shareholders, each Fund votes proxies after considering its shareholders' financial interests and social objectives. The proxy voting policies and procedures are designed to ensure that all proxies are voted in the best interests of Fund shareholders by isolating the proxy voting function from any potential conflicts of interest. In most instances, votes are cast according to predetermined policies, and potential conflicts of interest cannot influence the outcome of voting decisions. There are, however, several voting guidelines that require a case-by-case determination, and other instances where votes may vary from predetermined policies. Certain procedures have been adopted to ensure that conflicts of interest in such circumstances are identified and appropriately addressed. The Board of Trustees has delegated the responsibility to vote proxies for the Funds to Domini. More details about the Funds' proxy voting guidelines and Domini's proxy voting policies and procedures, including procedures adopted by Domini to address any potential conflicts of interest, are provided in the complete Proxy Voting Policies and Procedures in Appendix B.

All proxy votes cast for the Funds are posted to Domini's website on an ongoing basis over the course of the year. An annual record of all proxy votes cast for the Funds during the most recent 12-month period ended June 30 can be obtained, free of charge, at [www.domini.com/proxyvoting](http://www.domini.com/proxyvoting), and on the EDGAR database on the SEC's website at [www.sec.gov](http://www.sec.gov).

## PORTFOLIO HOLDINGS INFORMATION

The Funds have implemented portfolio holdings disclosure policies and procedures that govern the timing and circumstances of disclosure to shareholders and third-parties of information regarding the portfolio investments held by the Funds. These portfolio holdings disclosure policies and procedures have been approved by the Board of Trustees of the Funds and are subject to periodic review by the Board of Trustees.

Disclosure of each Fund's holdings is required to be made within 60 days of the end of each fiscal semi-annual period (each July 31 and January 31) and as of the end of its first and third fiscal quarters (each October 31 and April 30) within 60 days of the end of the fiscal quarter.

To obtain copies of the Funds' portfolio holdings information free of charge, call 1-800-582-6757. The Funds' portfolio holdings information is available online at [www.domini.com/funddocuments](http://www.domini.com/funddocuments) and on the EDGAR database on the SEC's website, [www.sec.gov](http://www.sec.gov).

Domini's website ([www.domini.com/funddocuments](http://www.domini.com/funddocuments)) identifies each Fund's largest ten portfolio holdings or issuers that together constitute the largest portion of each Fund's assets, as of the last calendar day of each month with a 15-day delay. The top-ten holdings information is publicly available to all categories of persons. Top-ten holdings information may also be provided in Fund fact sheets and similar advertisements provided to retail and institutional investors updated as of the last day of the most recent calendar quarter, with a 15-day delay or as of some other interim period that shall be updated no more frequently than as of the last calendar day each month, with a 15-day lag.

In addition, Domini's website ([www.domini.com/funddocuments](http://www.domini.com/funddocuments)) contains information about each Fund's portfolio holdings, including, as applicable, the security description, the security identification number, par value, interest rate, maturity date, market value, and percentage of total investments, in each case updated as of the end of the most recent calendar quarter (i.e., each March 31, June 30, September 30, and December 31). This information is provided on the website with a lag of at least 30 days and will be available until updated for the next calendar quarter. All information described in this paragraph is publicly available to all categories of persons.

During the first calendar quarter of a Fund's operations and for 30 days thereafter, Domini's website ([www.domini.com/funddocuments](http://www.domini.com/funddocuments)) may also contain portfolio holdings information with respect to the Fund as of 5 business days after the commencement of operations of the Fund, or any later date in such calendar quarter with a lag, in each case, of at least 7 business days. Such information is limited to descriptions of the securities held by the Fund and the identification numbers and/or ticker symbols for such securities. All information described in this paragraph is publicly available to all categories of persons.

From time to time, rating and ranking organizations, such as Standard and Poor's, may request complete portfolio holdings information in connection with rating a Fund. Similarly, pension plan sponsors and/or their consultants may request a complete list of portfolio holdings in order to assess the risks of a Fund's portfolio along with related performance attribution statistics. The Funds believe that these third parties have legitimate objectives in requesting such portfolio holdings information. To prevent such parties from potentially misusing portfolio holdings information, the Funds will generally only disclose such information as of the end of the most recent calendar quarter, with a lag of at least 30 days, or, during a Fund's first calendar quarter of operations, as of 5 business days after the commencement of operations of the Fund, or any later date during such calendar quarter with a lag of at least 7 business days, as described above.

In addition, the Funds' Chief Compliance Officer, or his or her designee, may grant exceptions to permit additional disclosure of the Funds' portfolio holdings information at differing times and with different lag times to rating agencies and to pension plan sponsors and/or their consultants, provided that (1) the recipient is subject to a confidentiality agreement, (2) the recipient will utilize the information to reach certain conclusions about the investment management characteristics of the Funds and will not use the information to facilitate or assist in any investment program, (3) the recipient will not provide access to third-parties to this information, and (4) the recipient will receive this information no earlier than 7 business days after the end of the calendar quarter (or, during a Fund's first calendar quarter of operations, the recipient will receive this information as of 5 business days after the commencement of operations of the Fund, or a later date in such calendar quarter with at least, in each case, a lag of 7 business days). In approving a request for an exception, the Chief Compliance Officer will consider a recipient's need for the relevant holdings information, whether the disclosure will be in the best interest of the Fund and its shareholders, and whether conflicts of interest from such disclosures are appropriately resolved.

As of October 31, 2024, each Fund has obtained confidentiality agreements and has arrangements to provide additional disclosure of portfolio holdings information to the following rating and ranking organizations and pension plan consultants: Bidart and Ross, Cambridge Associates, Glass Lewis, Jeffrey Slocum & Associates, Inc., Marquette Associates, Mercer Investment Consulting, New England Pension Consultants, Standard and Poor's, RV Kuhns & Associates, Inc. The Board of Trustees receives periodic reports regarding entities that receive disclosure regarding the Fund's portfolio holdings as described in this paragraph.

In addition, the service providers of the Funds, such as the principal underwriter, subadvisers, custodian, administrator, securities lending agent, transfer agent, pricing vendors, proxy voting vendors, financial printers, counsel, and independent registered public accounting firm, may receive daily portfolio holdings information in connection with their services to the Funds, as applicable. As of October 31, 2024, the following Fund service providers may receive daily portfolio holdings information in connection with their services to the Funds: Domini Impact Investments LLC, DSIL Investment Services LLC, Wellington Management Company LLP, SSGA FM, Markit North America, Inc., State Street Bank and Trust Company, Ultimus Fund Solutions, LLC, ICE Data Pricing and Reference Data, LLC, ICE Data, LP, Institutional Shareholder Services, Inc., Morgan, Lewis & Bockius LLP, Donnelly Financial LLC, Donnelly Financial Solutions, Bloomberg LP, Rep Risk, and KPMG LLP.

A Subadviser may also provide information regarding a Fund's portfolio holdings to certain of its service providers in connection with the services provided to the Adviser or Subadviser by such service providers (such as analytical services, proxy voting services, portfolio management and operational systems, or clearing functions). When purchasing and selling its portfolio securities through broker-dealers requesting bids on securities, or obtaining price quotations on securities, the Adviser, the Funds or their Subadviser may disclose portfolio holdings to the party effecting the transaction or providing the information.

In connection with providing investment advisory services to fund clients, as of September 30, 2024, Wellington Management had ongoing arrangements to disclose non-public portfolio holdings information to the following parties: Acadia Soft performs certain operational functions for Wellington Management and receives portfolio holdings information on a daily basis. Accenture performs certain operational functions on behalf of Wellington Management and has access to portfolio holdings on a daily basis. Brown Brothers Harriman & Co. performs certain operational functions for Wellington Management and receives portfolio holdings information on a daily basis. Clearwater Analytics performs certain operational functions for Wellington Management and receives portfolio trades and holdings information on a daily basis (Note this is effective 30 April 2023). Dynamo Software provides a technology platform to support private placement transactions, integrating the components of a private investment lifecycle into one system (Note: implementation completed in Q3 2024). FactSet Research Systems Inc. provides analytical services for Wellington Management and receives portfolio holdings information on a daily basis. Glass, Lewis & Co. provides proxy voting services for Wellington Management and receives portfolio holdings information on a daily basis where Wellington has been assigned voting discretion and accounts have opted in to vote reconciliation. Markit WSO Corporation performs certain operational functions on behalf of Wellington Management and receives syndicated bank loan portfolio holdings information on a daily basis. MSCI, Inc provides analytical services for Wellington Management and receives portfolio holdings information on a daily basis.

State Street Bank and Trust Company performs certain operational functions on behalf of Wellington Management and receives portfolio holdings information on a daily basis. Tri Optima performs certain operational functions for Wellington Management and receives portfolio holdings information on a daily basis. Wellington also makes disclosures of portfolio holdings to other third parties where we do not identify specific clients. In connection with providing investment sub-advisory services to Domini, as of September 30, 2024, SSGA Funds Management, Inc. has ongoing arrangements to disclose non-public portfolio holdings information to the following parties: Axioma provides risk model and portfolio optimization services; FactSet Research Systems, Inc., provides analytical services; Fidessa Minerva provides order management services; Fidessa Sentinel provides portfolio compliance services; and Virtu Financial, Inc. (ITG Analytical Tool) provides transaction cost analysis.

From time to time, Domini or a Fund may disclose information on portfolio holdings to other parties to the extent necessary in connection with actual or threatened litigation.

In no event shall Domini, Domini's affiliates or employees, any Subadviser, any Subadviser's affiliates or employees, or the Funds receive any direct or indirect compensation in connection with the disclosure of information about a Fund's portfolio holdings.

## INVESTMENT RESTRICTIONS

### Fundamental Restrictions

Each of the Funds has adopted the following policies, which may not be changed without approval by holders of a "majority of the outstanding voting securities" (as defined in the 1940 Act) of the applicable Fund, which as used in this Statement of Additional Information means the vote of the lesser of (i) 67% or more of the outstanding "voting securities" of a Fund, present at a meeting, if the holders of more than 50% of the outstanding "voting securities" of that Fund are present or represented by proxy, or (ii) more than 50% of the outstanding "voting securities" of a Fund. The term "voting securities" as used in this paragraph has the same meaning as in the 1940 Act except that each Fund shareholder will have one vote for each dollar of net asset value.

The Funds may not do the following:

- (1) Borrow money if such borrowing is specifically prohibited by the 1940 Act or the rules and regulations promulgated thereunder.
- (2) Make loans to other persons if such loans are prohibited by the 1940 Act or the rules and regulations promulgated thereunder.
- (3) Purchase or sell real estate or interests in oil, gas, or mineral leases in the ordinary course of business. (Each of the Funds reserves the freedom of action to hold and to sell real estate acquired as the result of the ownership of securities by the Fund, as applicable.)
- (4) Purchase or sell commodities or commodities contracts in the ordinary course of business. (The foregoing shall not preclude a Fund from purchasing or selling futures contracts or options thereon.)
- (5) Underwrite securities issued by other persons, except that all or any portion of the assets of a Fund may be invested in one or more investment companies, to the extent not prohibited by the 1940 Act, the rules and regulations thereunder, and exemptive orders granted under such Act, and except insofar as a Fund may technically be deemed an underwriter under the 1933 Act, in selling a security.
- (6) Issue any senior security (as that term is defined in the 1940 Act) if such issuance is specifically prohibited by the 1940 Act or the rules and regulations promulgated thereunder.

In addition, the EQUITY FUND may not do the following:

- (7) Invest more than 25% of its assets in any one industry except that (a) all or any portion of the assets of the Fund may be invested in one or more investment companies, to the extent not prohibited by the 1940 Act, the rules and regulations thereunder, and exemptive orders granted under such Act and (b) if an investment objective or strategy of the Fund is to match the performance of an index and the stocks in a single industry compose more than 25% of such index, the Fund may invest more than 25% of its assets in that industry.<sup>1</sup>

In addition, the INTERNATIONAL EQUITY FUND may not do the following:

- (8) Invest more than 25% of its assets in any one industry except that all or any portion of the assets of the Fund may be invested in one or more investment companies, to the extent not prohibited by the 1940 Act, the rules and regulations thereunder, and exemptive orders granted under such Act.

In addition, the BOND FUND may not do the following:

- (9) Concentrate its investments in any particular industry, but if it is deemed appropriate for the achievement of the Fund's investment objective, up to 25% of its assets, at market value at the time of each investment, may be invested in any one industry, except that positions in futures contracts shall not be subject to this restriction.

In addition, the INTERNATIONAL OPPORTUNITIES FUND and the SUSTAINABLE SOLUTIONS FUND may not do the following:

- (10) Except as permitted by exemptive or other relief or permission from the SEC, SEC staff or other authority of competent jurisdiction, invest more than 25% of its assets in any one industry or group of industries.

For purposes of restriction (1) above, covered mortgage dollar rolls and arrangements with respect to securities lending are not treated as borrowing.



In addition, as a matter of fundamental policy, the Equity Fund will invest all of its investable assets in (a) securities and instruments that meet social criteria, (b) one or more investment companies that apply social criteria in selecting securities and instruments, (c) cash, and (d) any combination of the foregoing.

With respect to the fundamental policy relating to borrowing money set forth in (1) above, the 1940 Act permits a Fund to borrow money in amounts of up to one-third of the Fund's total assets from banks for any purpose, and to borrow up to 5% of the Fund's total assets from banks or other lenders for temporary purposes (the Fund's total assets include the amounts being borrowed). To limit the risks attendant to borrowing, the 1940 Act requires the Fund to maintain at all times an "asset coverage" of at least 300% of the amount of its borrowings. Asset coverage means the ratio that the value of the Fund's total assets (including amounts borrowed), minus liabilities other than borrowings, bears to the aggregate amount of all borrowings. Borrowing money to increase a Fund's investment portfolio is known as "leveraging." Borrowing, especially when used for leverage, may cause the value of a Fund's shares to be more volatile than if the Fund did not borrow. This is because borrowing tends to magnify the effect of any increase or decrease in the value of the Fund's portfolio holdings. Borrowed money thus creates an opportunity for greater gains, but also greater losses. To repay borrowings, the Fund may have to sell securities at a time and at a price that is unfavorable to the Fund. There also are costs associated with borrowing money, and these costs would offset and could eliminate a Fund's net investment income in any given period. Currently, the Fund does not contemplate borrowing for leverage, but if the Fund does so, it will not likely do so to a substantial degree. The policy in (1) above will be interpreted to permit the Fund to engage in trading practices and investments that may be considered to be borrowing to the extent permitted by the 1940 Act. Reverse repurchase agreements may be considered to be a type of borrowing. A Fund may enter into reverse repurchase agreements and similar financing transactions, provided that the Fund maintains asset coverage of at least 300% with respect to such transactions and any other borrowings in the aggregate in accordance with Section 18 of the 1940 Act. See "Derivatives" above. Short-term credits necessary for the settlement of securities transactions and arrangements with respect to securities lending will not be considered to be borrowings under the policy. Practices and investments that may involve leverage but are not considered to be borrowings are not subject to the policy. Such trading practices may include futures, options on futures, forward contracts and other derivative investments.

#### Nonfundamental Restrictions

The following policies are not fundamental and may be changed with respect to a Fund by that Fund without approval of the Fund's shareholders. Each Fund will comply with the state securities laws and regulations of all states in which it is registered.

None of the Funds will, as a matter of operating policy, invest more than 15% of its net assets in illiquid securities, except that each such Fund may invest all or any portion of its assets in one or more investment companies, to the extent not prohibited by the 1940 Act or the rules and regulations thereunder.

The EQUITY FUND will not as a matter of operating policy purchase puts, calls, straddles, spreads, and any combination thereof if the value of its aggregate investment in such securities will exceed 5% of the Equity Fund's total assets at the time of such purchase.

The EQUITY FUND has a nonfundamental policy to invest, under normal circumstances and as a matter of operating policy, at least 80% of its net assets in equity securities and related investments with similar economic characteristics, including derivative instruments such as futures and options. Shareholders in the Equity Fund will be provided with at least 60 days' prior notice of any change in the nonfundamental policy set forth in this paragraph.

The SUSTAINABLE SOLUTIONS FUND has a nonfundamental policy to invest, under normal circumstances and as a matter of operating policy, at least 80% of its net assets (plus the amount of borrowings, if any, for investment purposes) in securities of companies that demonstrate a commitment to sustainability solutions. Shareholders of the Fund will be provided with at least 60 days prior written notice if the Fund changes this 80% policy.

The INTERNATIONAL EQUITY FUND has a nonfundamental policy to invest, under normal circumstances and as a matter of operating policy, at least 80% of its net assets in equity securities and related investments with similar economic characteristics, including derivative instruments such as futures and options. The International Equity Fund will give its shareholders 60 days' prior notice of any change in the nonfundamental policy set forth in this paragraph.

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<sup>1</sup>The Equity Fund does not currently have an investment objective or an investment strategy to match the performance of an index.

As a nonfundamental policy, the BOND FUND will, under normal circumstances, invest at least 80% of its net assets in bonds, including government and corporate bonds, mortgage-backed and asset-backed securities, non-U.S. dollar-denominated bonds, and U.S. dollar-denominated bonds issued by non-U.S. entities. Shareholders in the Bond Fund will be provided with at least 60 days' prior notice of any change in the nonfundamental policy set forth in this paragraph.

Each Fund's non-fundamental investment policies may be changed by a vote of the Board of Trustees without approval of shareholders at any time.

#### Diversification

Each Fund is currently classified as a diversified fund under the 1940 Act. As a diversified fund, a Fund may not purchase securities of an issuer (other than obligations issued or guaranteed by the U.S. government, its agencies or instrumentalities) if, with respect to 75% of the Fund's total assets, (a) more than 5% of the Fund's total assets would be invested in securities of that issuer, or (b) the Fund would hold more than 10% of the outstanding voting securities of that issuer. Under the 1940 Act, the Fund cannot change its classification from diversified to non-diversified without shareholder approval.

#### Percentage and Rating Restrictions

If a percentage restriction or rating restriction on investment or utilization of assets set forth above or referred to in the Prospectus is adhered to at the time an investment is made or assets are so utilized, a subsequent change in circumstances will not be considered a violation of policy, provided that if at any time the ratio of borrowings of a Fund to the net asset value of that Fund, respectively, exceeds the ratio permitted by Section 18(f) of the 1940 Act, the applicable Fund, as the case may be, will take the corrective action required by Section 18(f).

#### Cybersecurity Issues

With the increased use of technologies such as the Internet to conduct business, the fund is susceptible to operational, information security, and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include, but are not limited to, attempts to gain unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, denying access, or causing other operational disruption. Cyberattacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). The Funds' service providers regularly experience such attempts, and expect they will continue to do so. The Funds are unable to predict how any such attempt, if successful, may affect the Funds and their shareholders. While the Funds' adviser has established business continuity plans in the event of, and risk management systems to prevent, limit or mitigate, such cyberattacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Furthermore, the Funds cannot control the cybersecurity plans and systems put in place by service providers to the Funds such as State Street Bank and Trust Company, the Funds' custodian, and Ultimus Fund Solutions, LLC, the Funds' transfer agent. In addition, many beneficial owners of Fund shares hold them through accounts at broker-dealers, retirement platforms and other financial market participants over which neither the Funds nor the adviser exercises control. Each of these may in turn rely on service providers, which are also subject to the risk of cyberattacks. Cybersecurity failures or breaches at the adviser or the Funds' service providers or intermediaries have the ability to cause disruptions and impact business operations potentially resulting in financial losses, interference with a Fund's ability to calculate its NAV, impediments to trading, the inability of Fund shareholders to effect share purchases, redemptions or exchanges or receive distributions, loss of or unauthorized access to private shareholder information and violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, or additional compliance costs. Such costs and losses may not be covered under any insurance. In addition, maintaining vigilance against cyberattacks may involve substantial costs over time, and system enhancements may themselves be subject to cyberattacks.

### **3. DETERMINATION OF NET ASSET VALUE; VALUATION OF PORTFOLIO SECURITIES; ADDITIONAL PURCHASE, SALE, AND ACCOUNT CLOSING INFORMATION**

The net asset value of each share of each class of the Funds is determined each day on which the NYSE is open for trading ("Fund Business Day"). As of the date of this Statement of Additional Information, the NYSE is open for trading every weekday, except in an emergency and the following holidays: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. This determination of net asset value of shares of each class of the Funds is made once during each such day as of the close of regular trading of the NYSE by dividing the value of the net assets of the applicable class (i.e., for a class of a Fund, the value of its assets less its liabilities, including expenses payable or accrued) by the number of shares of the class outstanding at the time the determination is made. Purchases and redemptions will be effected at the time of the next determination of net asset value following the receipt of any purchase or redemption order deemed to be in good order. See "Shareholder Manual" in the Prospectus.

The Adviser has been designated as the Funds' valuation designee in accordance with Rule 2a-5 under the 1940 Act, with responsibility for fair valuation, subject to oversight by the Board of Trustees.

Securities listed or traded on national securities exchanges are valued at the last sale price or, if there have been no sales that day, at the mean of the current bid and ask price that represents the current value of the security. Securities listed on the NASDAQ National Market System are valued using the NASDAQ Official Closing Price (the "NOCP"). If an NOCP is not available for a security listed

on the NASDAQ National Market System, the security will be valued at the last sale price or, if there have been no sales that day, at the mean of the current bid and ask price. Options and futures contracts are normally valued at the settlement price on the exchange on which they are traded.

Securities that are primarily traded on foreign exchanges generally are valued at the closing price of such securities on their respective exchanges, except that if a Fund's Adviser, as valuation designee, is of the opinion that such price would result in an inappropriate value for a security, including as a result of an occurrence subsequent to the time a value was so established, then the fair value of those securities may be determined by consideration of other factors by the Funds' valuation designee. In valuing assets, prices denominated in foreign currencies are converted to U.S. dollar equivalents at the current exchange rate.

Bonds and other fixed-income securities are valued on the basis of valuations furnished by independent pricing services, use of which has been approved for the Funds by the Funds' valuation designee. In making such valuations, the pricing services utilize both dealer-supplied valuations and electronic data processing techniques that take into account appropriate factors such as institutional-size trading in similar groups of securities, yield, quality, coupon rate, maturity, type of issue, trading characteristics, and other market data, without exclusive reliance upon quoted prices or exchange or over-the-counter prices, since such valuations are believed to reflect more accurately the fair value of such securities.

The Bond Fund may invest in certain community development investments for which a market price might not readily be available, provided that the Bond Fund may not invest more than 15% of its net assets in illiquid securities. In those circumstances, the fair value of the community development investment is determined using fair value procedures.

Interest income on long-term obligations is determined on the basis of interest accrued plus amortization of "original issue discount" (generally, the difference between issue price and stated redemption price at maturity) and premiums (generally, the excess of purchase price over stated redemption price at maturity). Interest income on short-term obligations is determined on the basis of interest accrued less amortization of premium.

All other securities and other assets of a Fund for which market quotations are determined to be not readily available will be valued using fair value procedures. The frequency with which a Fund's investments will be valued using fair value pricing is primarily a function of the types of securities and other assets in which the Fund, as applicable, invests pursuant to its investment objective, strategies, and limitations.

Investments that may be valued using fair value pricing include, but are not limited to: (i) an unlisted security related to corporate actions; (ii) a restricted security (i.e., one that may not be publicly sold without registration under the Securities Act of 1933); (iii) a security whose trading has been suspended or that has been delisted from its primary trading exchange; (iv) a security that is thinly traded; (v) a security in default or bankruptcy proceedings for which there is no current market quotation; (vi) a security affected by extreme market conditions; (vii) a security affected by currency controls or restrictions; and (viii) a security affected by a significant event (i.e., an event that occurs after the close of the markets on which the security is traded but before the time as of which the Fund's, as applicable, net asset value is computed and that may materially affect the value of the Fund's, as applicable, investments). Examples of events that may be "significant events" are government actions, natural disasters, armed conflict, acts of terrorism, and significant market fluctuations.

While no single standard for determining fair value exists, as a general rule, the current fair value of a security would appear to be the amount that a Fund, as applicable, would expect to receive upon its current sale. Some, but not necessarily all, of the general factors that may be considered in determining fair value include: (a) the fundamental analytical data relating to the investment, (b) the nature and duration of restrictions on disposition of the securities, and (c) an evaluation of the forces that influence the market in which these securities are purchased and sold. Without limiting or including all of the specific factors that may be considered in determining fair value, some of the specific factors include: type of security, financial statements of the issuer, cost at date of purchase, size of holding, discount from market value, value of unrestricted securities of the same class at the time of purchase, special reports prepared by analysts, information as to any transactions or offers with respect to the security, existence of merger proposals or tender offers affecting the security, price, and extent of public trading in similar securities of the issuer or comparable companies, and other relevant matters.

Valuing the Funds' investments using fair value pricing will result in using prices for those investments that may differ from current market prices or what the Fund would receive upon the sale of such security. In addition, fair value pricing could have the benefit of reducing potential arbitrage opportunities presented by a lag between a change in the value of the Fund's investments and the reflection of that change in the Fund's net asset value.

The International Opportunities Fund, Sustainable Solutions Fund and International Equity Fund invest primarily in the stocks of non-U.S. companies. Non-U.S. equity securities are valued on the basis of their most recent closing market prices at 4 pm Eastern Time except under the circumstances described below. Most non-U.S. markets close before 4 pm Eastern Time. If a Fund's Adviser, as valuation designee, determines that developments between the close of the non-U.S. market and 4 pm Eastern Time will, in its judgment, materially affect the value of some or all of the Fund's securities, the previous closing prices will be adjusted to reflect what is believed to be the fair value of the securities as of 4 pm Eastern Time. In deciding whether to make these adjustments, the Adviser,

as the Fund's valuation designee, reviews a variety of factors, including developments in foreign markets, the performance of U.S. securities markets, and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. Securities may also be fair valued in other situations, for example, when a particular foreign market is closed but the Fund is open. Each Fund uses outside pricing services to provide it with closing market prices and information used for adjusting those prices. The fair value for a foreign security reported on by such service with a confidence level approved by the Funds' valuation designee, shall be the value provided by such service. However, a Fund cannot predict how often it will use closing prices and how often it will adjust those prices. As a means of evaluating the Funds' fair value process, the Adviser, as the Funds' valuation designee, routinely compares closing market prices, the next day's opening prices in the same markets, and adjusted prices. Please note that each Fund may hold securities that are primarily listed on foreign exchanges that may trade on weekends or other days when the Funds do not calculate their net asset value or price their shares. Therefore, the value of the securities held by these Funds may change on days when shareholders will not be able to purchase or sell the applicable Fund's shares.

Shares of a Fund may be purchased directly from the Distributor or through Service Organizations (see "Transfer Agent, Custodian, and Service Organizations" below) by clients of those Service Organizations. If an investor purchases such shares through a Service Organization, the Service Organization must promptly transmit such order to the appropriate Fund so that the order receives the net asset value next determined following receipt of the order. Investors wishing to purchase shares through a Service Organization should contact that organization directly for appropriate instructions. Investors making purchases through a Service Organization should be aware that it is the responsibility of the Service Organization to transmit orders for purchases of shares by its customers to the Transfer Agent and to deliver required funds on a timely basis.

### **Account Closings**

There may be instances in which it is appropriate for your shares to be redeemed and your account to be closed. Your shares could be sold and your account could be closed if: your identity cannot be verified or you fail to provide a valid SSN or TIN; the registered address of your account is outside of the United States or in a U.S. jurisdiction in which the Fund shares are not registered; transactions in your account raise suspicions of money laundering, fraud or other illegal conduct; shares purchased are not paid for when due; your account does not meet the qualifications for ownership for the particular class of shares held in your account; maintenance of your account jeopardizes the tax status or qualifications of the Funds; your account balance falls to \$1,500 or less and you fail to bring the account above the \$1,500 within thirty (30) days of notification; there is a change in your broker of record, for example your broker is no longer able to sell Fund shares; or closing the account is determined to be in the best interest of a Fund.

In addition, an account may be turned over as unclaimed property to the investor's last known state of tax residence if the account is deemed "inactive" or "lost" during the time frame specified within the applicable state's unclaimed property laws. Investors who are residents of the state of Texas may designate a representative to receive legislatively required unclaimed property due diligence notifications. A Texas Designation of Representative Form is available for making such an election.

### **Limitation of Redemptions In-Kind**

The Trust has elected to be governed by Rule 18f-1 under the 1940 Act pursuant to which each Fund is obligated to redeem shares solely in cash up to the lesser of \$250,000 or 1% of the net asset value of a Fund during any 90-day period for any one shareholder. Should redemptions by any shareholder exceed such limitation, each Fund will have the option of redeeming the excess in cash or in kind. If shares are redeemed in kind, the redeeming shareholder might incur brokerage costs in converting the assets into cash. The method of valuing securities used to make redemptions in kind will be the same as the method of valuing portfolio securities described under "How the Price of Your Shares Is Determined" in the Prospectus, and such valuation will be made as of the same time the redemption price is determined.

## **4. MANAGEMENT OF THE FUNDS**

The management and affairs of each Fund and the Trust are overseen by the Board of Trustees of the Trust and a single set of officers under the laws of the Commonwealth of Massachusetts. The Board sets broad policies for the Funds; selects the investment adviser, subadviser(s), and the other principal service providers of the Funds; monitors Fund operations, regulatory compliance, performance, and costs; nominates and selects new Trustees; and elects Fund officers. The Board is responsible for the oversight of the management and operations of each Fund for the benefit of its shareholders. Domini, each Fund's subadviser and the Funds' other service providers are responsible for the day-to-day operations of the Funds subject to the oversight of the Board. The Board currently holds four regularly scheduled meetings throughout each year. In addition, the Board may hold special meetings at other times. As described in more detail below, the Board has established two standing committees, the Audit Committee and the Nominating Committee. These committees assist the Board in fulfilling its oversight responsibilities. Neither the Funds nor the Trust holds annual shareholder meetings for the purpose of electing Trustees, and Trustees are not elected for fixed terms. This means that each Trustee will be elected to hold office until his or her successor is elected or until he or she retires, resigns, dies, or is removed from office.

The Funds face a number of risks, such as investment risk, valuation risk, risk of operational failure or lack of business continuity, cybersecurity and legal, compliance and regulatory risk. The goal of risk management is to identify and address risks, i.e., events or circumstances that could have material adverse effects on the business, operations, shareholder services, investment performance or reputation of the Funds.

The Trustees play an active role, as a full Board and at the committee level, in overseeing risk management for the Funds. Risk management of the Funds on a day-to-day basis has been delegated to Domini, each Fund's subadviser, and the Funds' other service providers. Each of these entities is responsible for specific portions of the Funds' operations and provides the Trustees with regular reports regarding, among other things, investment, valuation, liquidity, and compliance, as well as the risks and risk management associated with each. The Trustees also oversee risk management for the Funds through regular interactions with the Funds' Chief Compliance Officer and independent auditors.

The full Board participates in the Funds' risk oversight, in part, by receiving regular reports regarding Domini's compliance program which covers the following broad areas of compliance: investment and other operations; recordkeeping; valuation and pricing; disclosure; reporting and accounting; oversight of service providers; fund governance; and code of ethics controls. The program seeks to identify and address the risk associated with the operations of the investment adviser and the Funds through various methods, including through regular communications between compliance, legal, and business personnel who participate on a daily basis in risk management on behalf of the Funds. The same person serves as Chief Compliance Officer of the Funds and the investment adviser. The Chief Compliance Officer of the Funds reports directly to the Board and provides reports to the Board in writing and in meetings on a regular basis.

The Audit Committee of the Board, which is composed of all the Trustees who are not "interested persons" (as defined in the 1940 Act) of the Trust ("Independent Trustees"), oversees management of financial risk and controls. The Audit Committee serves as the channel of communication between the independent auditors of the Funds and the Board with respect to financial statements and financial reporting processes, systems of internal control, and the audit process. The external auditors report directly to the Audit committee and provide reports to the Board in writing and in meetings on a regular basis. The independent auditors also provide reports to the Audit Committee without management being present. Although the Audit Committee is responsible for overseeing the management of financial risks, the entire Board is regularly informed of these risks through committee reports.

The Trustees recognize that not all risks that may affect the Trust can be identified, mitigated, or eliminated. Moreover, it is necessary to bear certain risks, such as investment related risk, to achieve each Fund's investment objective, and the processes, procedures, and controls employed to address certain risks may be limited in their effectiveness (see "Cybersecurity Issues" above). As a result of the foregoing and other factors, the Funds' ability to eliminate or mitigate risks is subject to limitation.

Pursuant to the Declaration of Trust, each Trustee may hold office until his or her successor is elected or until he or she retires, resigns, dies, or is removed from office. The Board has adopted a retirement policy that provides that each Trustee shall be eligible to serve until the close of business on the last day of the fiscal year in which the Trustee has his or her 75th birthday unless an exception is approved. This retirement policy may be amended or waived with respect to any Trustee prior to the end of each fiscal year in which such Trustee attains the age of 75 if the Board: (i) meets to review the performance of such Board member; (ii) finds that the continued service of such Board member is in the best interests of the Trust; and (iii) unanimously approves the exemption from the Trust's retirement policy.

In determining whether an individual is qualified to serve as Trustee of the Funds, the Board considers a wide variety of information about the Trustee, on an individual basis and in combination with those of the other Trustees, and multiple factors contribute to the Board's decision. When considering potential nominees to fill vacancies on the Board, and as part of its annual self-evaluation, the Board reviews the mix of skills and other relevant experiences of the Trustees. The Board has concluded that each Trustee has the experience, qualifications, attributes, or skills necessary to serve the Funds and their shareholders. Attributes common to all Trustees include their ability to review critically and discuss complex business and financial matters, evaluate the relative importance and priority of issues, make decisions, contribute effectively to the deliberations of the Board, interact effectively with Domini, each Fund's subadviser, and the other service providers of the Funds, and to exercise reasonable business judgment in the performance of their duties as Trustees. In addition, the Board has taken into account the service and commitment of the Trustees during their tenure in concluding that each Trustee should serve as a Trustee of the Funds.

A Trustee's ability to perform his or her duties effectively may have been attained through his or educational background or professional training; business, consulting, public service or academic positions; experience from service as a board member of the Domini Funds, public companies, or nonprofit entities or other organizations; or other experiences. The Board also considered the individual experience of each Trustee and determined that the Trustee's professional experience, education, and background contribute to the diversity of perspective on the Board.

The specific roles and experience of each Trustee that factor into the Board's determination are presented below (ages and employment tenures listed are as of July 31, 2024). References to the qualifications, attributes, and skills of Trustees are pursuant to the requirements of the Securities and Exchange Commission, do not constitute holding out of the Board or any Trustee as having any special expertise or experience, and shall not impose any greater responsibility or liability on any such person or on the Board by

reason thereof. Unless otherwise indicated below, the mailing address of each Trustee and officer is 180 Maiden Lane, Suite 1302, New York, New York 10038.

Asterisks indicate that those Trustees and officers are “interested persons” of the Trust as defined in the 1940 Act. Each Trustee and officer of the Trust noted as an “interested person” is interested by virtue of his or her position with Domini as described in the following table.

## TRUSTEES AND OFFICERS

NAME, AGE, POSITION(S) HELD, AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF DOMINI FUNDS OVERSEEN BY TRUSTEE	OTHER DIRECTORSHIPS HELD BY TRUSTEE
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### INTERESTED TRUSTEE AND OFFICER

Carole M. Laible* (60) Chair of the Trust Board and Trustee of the Trust (since 2024) and President of the Trust (since 2017)	Portfolio Manager, Domini Sustainable Solutions Fund(since 2020), Domini International Opportunities Fund (since 2020), and Domini Impact Equity Fund (since 2018), CEO and Manager (since 2016), Member (since 2006), Domini Impact Investments LLC; Manager (since 2017), President and CEO (since 2002), Chief Financial Officer (since 1998), Secretary (since 1998), Treasurer (since 1998) and Registered Principal (since 1998), DSIL Investment Services LLC; Manager (since 2016), Domini Holdings LLC (holding company); Chair of the Trust (since 2024), Trustee of the Trust (since 2024), and President (since 2017), Domini Investment Trust. Ms. Laible brings particular experience with mutual funds operations and advanced knowledge on environmental and social research, sustainable investing, and industry trends.	5	N/A
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### INDEPENDENT TRUSTEES

Caroline Flammer (47) Trustee of the Trust (since 2023), Audit Committee Member (since 2023), Nominating Committee Member (since 2023)	Vice Dean for Research and Faculty Affairs, School for International and Public Affairs (SIPA) (since 2024), Professor of International and Public Affairs and of Climate (since 2022); Visiting Professor of International and Public Affairs (July to December 2021), Columbia University (research and education); Verena Meyer Visiting Professor (July to August 2023), University of Zurich (research and education); Rafto Visiting Professor in Business and Human Rights (2023 to 2024), NHH Norwegian School of Economics, (research and education); President (since 2022), Alliance for Research and Corporate Sustainability (research and education); Associate Professor of Strategy and Innovation (2018-2021), Boston University (research and education), Ms. Flammer brings to the Board particular experience with sustainable investing and with international business, climate, and public affairs matters.	5	N/A
Gregory A. Ratliff (64) Trustee of the Trust (since 1999), Audit Committee Member (since 1999), and Nominating Committee Chair (since 2023) and Member (since 1999)	Senior Vice President (since 2019), Rockefeller Philanthropy Advisors (philanthropy); Vice President (2017-2019), ACT, Inc. (education testing). Lead Independent Trustee (2013- 2023), Domini Investment Trust. Mr. Ratliff brings to the Board particular experience with community development investment institutions and financial markets.	5	N/A

NAME, AGE, POSITION(s) HELD, AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF DOMINI FUNDS OVERSEEN BY TRUSTEE	OTHER DIRECTORSHIPS HELD BY TRUSTEE
John L. Shields (71) Trustee of the Trust (since 2004), Nominating Committee Member (since 2004), Audit Committee Chair (since 2004), and Lead Independent Trustee (since 2023)	President (since 2018), Advisor Guidance, Inc. (management consulting firm). Mr. Shields brings to the Board particular experience with the investment management industry, accounting and financial management, and mutual fund and adviser operations.	5	Director (since 2018), EverQuote, Inc. (technology company) (public); Director (since 2015), Vestmark, Inc. (software company); Director (since 2008), Cogo Labs, Inc. (technology company).

NAME, AGE, POSITION(s) HELD, AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF DOMINI FUNDS OVERSEEN BY TRUSTEE	OTHER DIRECTORSHIPS HELD BY TRUSTEE
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#### OFFICERS

Maura Colleran* (54)	Vice President, Finance (since 1997), Domini Impact Investments, LLC.	N/A	N/A
Megan L. Dunphy* (54) Chief Legal Officer of the Trust since 2014, Vice President of the Trust since 2013, and Secretary of the Trust since 2005	General Counsel (since 2014) and Member (since 2017), Domini Impact Investments LLC; Chief Legal Officer (since 2014), Vice President (since 2013) and Secretary (since 2005), Domini Investment Trust.	N/A	N/A
Doug Lowe* (68) Assistant Secretary of the Trust since 2007	Senior Call Center Manager (since 2019) and Senior Compliance Manager and Counsel (2006-2019), Domini Impact Investments LLC; Assistant Secretary (since 2007), Domini Investment Trust; Registered Operations Professional (since 2012), DSIL Investments Services LLC.	N/A	N/A
Meaghan O'Rourke-Alexander* (44) Assistant Secretary of the Trust since 2007	Senior Compliance Officer (since 2023) and Compliance Officer (2012-2023), Domini Impact Investments LLC; Assistant Secretary (since 2007), Domini Investment Trust.	N/A	N/A

#### OFFICERS – CONT'D

Charles Rizzo* (66) Treasurer of the Trust since 2024	Chief Financial Officer (since 2024), Domini Impact Investments LLC; Treasurer (since 2024), Domini Investment Trust; Global Head of Fund Administration (2018 to 2024), Chief Operations Officer EMEA and Americas (2018-2024), Head of John Hancock Transfer Agency (2018 to 2024), Manulife/John Hancock; Chief Financial Officer (2007 to 2024), John Hancock Funds; Chief Administrative Officer (2021 to 2024), John Hancock Trust Company.	N/A	N/A
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NAME, AGE, POSITION(S) HELD, AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATION(S) DURING PAST 5 YEARS	NUMBER OF DOMINI FUNDS OVERSEEN BY TRUSTEE	OTHER DIRECTORSHIPS HELD BY TRUSTEE
Maurizio Tallini* (50) Chief Compliance Officer of the Trust since 2005, Vice President of the Trust since 2007, Chief Information Security Officer of the Trust since 2015	Chief Compliance Officer (since 2005) Member (since 2007), and Chief Information Security Officer (since 2015), Domini Impact Investments LLC; Vice President (since 2007), Chief Compliance Officer (since 2005), and Chief Information Security Officer (since 2015) Domini Investment Trust; Chief Compliance Officer (since 2015), Registered Representative (since 2012), Registered Principal (since 2014), and, Chief Information Security Officer (since 2015), DSIL Investments Services LLC.	N/A	N/A

All but one of the Trustees are independent. The Independent Trustees have designated Mr. Shields as Lead Independent Trustee. The Lead Independent Trustee is a spokesperson and principal point of contact for the Independent Trustees and is responsible for coordinating the activities of the Independent Trustees, including calling regular and special executive sessions of the Independent Trustees; reviewing meeting agendas with the Chair or delegate; chairing the meetings of the Independent Trustees; and serving as the principal point of contact and liaison with the Funds' officers and services providers.

The Board has appointed Ms. Laible as the Chair of the Board and the President of the Trust. Ms. Laible also serves as the Chief Executive Officer of Domini. The Board believes that, in light of her experience with Domini and the Trust, Ms. Laible is best qualified to serve as Chair and that the Board's current leadership structure is appropriate given Domini's role with respect to the Funds' investment and business operations. The Board also believes that the Board's leadership structure, as aided by Ms. Laible's experience and capabilities, serves to facilitate the orderly and efficient flow of information to the Independent Trustees from management and otherwise enhance the Board's oversight role.

#### Board Committees

The Audit Committee oversees the internal and external accounting procedures of the Funds, the independent audits of each Fund, the selection of the independent registered public accountant for the Funds, the approval of all significant services proposed to be performed by the accountants, and considers the possible effect of such services on their independence. All Independent Trustees serve as members of the Committee. The Committee held two meetings during the Funds' last fiscal year.

The Nominating Committee screens and recommends candidates to fill vacancies on the Board of Trustees of the Trust. All Independent Trustees serve as members of the Nominating Committee. The Nominating Committee will consider nominees recommended by shareholders. If you would like to recommend a nominee to the Nominating Committee, please deliver your recommendation in writing to the Secretary of the Trust, 180 Maiden Lane, Suite 1302, New York, New York 10038. The committee met two times during the Funds' last fiscal year.

#### OWNERSHIP OF SHARES IN THE FUNDS AND IN OTHER ENTITIES

The following table shows the amount of equity securities owned by the Trustees in each Fund, and in all investment companies in the Domini family of Funds supervised by the Trustees as of December 31, 2023.

Name of Trustee	Range of Investment in the Equity Fund	Range of Investment in the International Opportunities Fund	Range of Investment in the Sustainable Solutions Fund	Range of Investment in the International Equity Fund	Range of Investment in the Bond Fund	Aggregate Range of Investment in Domini Family of Funds
Interested Trustee:						
Carole Laible* .....	\$500,000-\$1,000,000	\$100,001-\$500,000	\$100,001-\$500,000	\$50,001-\$100,000	\$10,001-\$50,000	over \$1,000,000
Amy L. Domini** ...	over \$1,000,000	\$100,001-\$500,000	\$500,001- \$1,000,000	\$ 0	\$50,001-\$100,000	over \$1,000,000
Independent Trustees:						
Caroline Flammer*** .....	N/A	N/A	N/A	N/A	N/A	N/A
Gregory A. Ratliff...	\$50,001-\$100,000	\$10,001-\$50,000	\$10,001-\$50,000	\$10,001-\$50,000	\$1 - \$10,000	\$100,001-\$500,000
John L. Shields .....	\$1 - \$10,000	\$ 0	\$ 0	\$ 0	\$1 - \$10,000	\$10,001-\$50,000

\* Ms. Laible was elected as a Trustee of the Trust effective July 24, 2024.

\*\*Ms. Domini retired from the Board of Trustees effective July 24, 2024.

\*\*\* Ms. Flammer was appointed as a Trustee of the Trust effective July 28, 2023.



## COMPENSATION AND INDEMNITY OF TRUSTEES

Each of the Independent Trustees receives an annual retainer for serving as a Trustee of the Trust of \$39,000. The Lead Independent Trustee, Chair of the Audit Committee, and Chair of the Nominating Committee receive an additional chairperson fee of \$5,000 annually. Each Independent Trustee also receives \$1,000 for attendance at each regular quarterly meeting of the Board of the Trust). In addition, each Trustee receives reimbursement for reasonable expenses incurred in attending meetings.

Information regarding compensation paid to the Trustees by the Trust for the fiscal year ended July 31, 2024, is set forth below. Ms. Laible is not compensated by the Trust for her service as a Trustee because of her affiliation with Domini.

### Compensation Table

Name of Trustee	Aggregate Compensation From Equity Fund	Aggregate Compensation From International Opportunities Fund	Aggregate Compensation From Sustainable Solutions Fund	Aggregate Compensation From International Equity Fund	Aggregate Compensation From Bond Fund	Pension or Retirement Benefits Accrued as Part of Trust Expenses	Estimated Benefits Upon Retirement	Total Compensation From Funds and Fund Complex Paid to Trustees
Interested Trustee:								
Carole Laible*.....	None	None	None	None	None	None	None	None
Amy L. Domini**.....	None	None	None	None	None	None	None	None
Independent Trustees:								
Caroline Flammer.....	\$18,428	\$432	\$627	\$15,244	\$4,269	None	None	\$39,000
Gregory A. Ratliff.....	\$20,786	\$488	\$707	\$17,203	\$4,816	None	None	\$44,000
John L. Shields.....	\$23,144	\$543	\$787	\$19,161	\$5,364	None	None	\$49,000

\* Ms. Laible was elected as a Trustee of the Trust effective July 24, 2024.

\*\*Ms. Domini retired from the Board of Trustees effective July 24, 2024.

The Trust's Declaration of Trust provides that it will indemnify its Trustees and officers (the "Indemnified Parties") against liabilities and expenses incurred in connection with litigation in which they may be involved because of their offices with the Trust, unless, as to liability to the Trust or its shareholders, it is finally adjudicated that the Indemnified Parties engaged in willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in their offices, or unless with respect to any other matter it is finally adjudicated that the Indemnified Parties did not act in good faith in the reasonable belief that their actions were in the best interests of the Trust. In case of settlement, such indemnification will not be provided unless it has been determined by a court or other body approving the settlement or other disposition, or by a reasonable determination, based upon a review of readily available facts, by vote of a majority of Disinterested Trustees or in a written opinion of independent counsel, that such Indemnified Parties have not engaged in willful misfeasance, bad faith, gross negligence, or reckless disregard of their duties.

### Control Persons and Principal Holders of Securities

**Management Ownership.** As of October 31, 2024, to the best of the Funds' knowledge, all Trustees and officers of the Trust, as a group, owned in the aggregate less than one percent (1%) of the outstanding shares of each **Domini Impact Equity Fund, Domini Impact International Equity Fund, Domini Sustainable Solutions Fund, Domini International Opportunities Fund** and **Domini Impact Bond Fund**, or any class of shares of each such Fund, except the Investor shares of the Domini International Opportunities Fund as noted below.

As of October 31, 2024, to the best of the Funds' knowledge, all Trustees and officers of the Trust, as a group, owned in the aggregate approximately: 3.31% of the outstanding Investor shares of the **Domini International Opportunities Fund**. To the best of the Funds' knowledge, all Trustees and officers of the Trust as a group, owned in the aggregate less than one percent (1%) of the outstanding shares of each other class of shares of each such Fund.

**Control Persons.** Persons or organizations that own beneficially 25% or more of the outstanding shares of a Fund may be presumed to "control" (as that term is defined in the 1940 Act) a Fund. As a result, these persons or organizations could have the ability to approve or reject those matters submitted to the shareholders of such Fund for their approval.

As of October 31, 2024, to the knowledge of the Funds, the following shareholders owned of record or beneficially 25% or more of the outstanding shares of the Funds:

*International Opportunities Fund*

National Financial Services Corp. (“NFS”), For the Exclusive Benefit of Customers, Attn: Mutual Funds Dept 4th Fl, 499 Washington Blvd, Jersey City, NJ 07310-2010 owned of record 82.11% of the Fund. NFS is a Delaware corporation and a wholly-owned subsidiary of Fidelity Global Brokerage Group, Inc.

NFS may hold such shares on behalf of other shareholders of record or beneficial owners, which may include trustee and advisory clients of Loring, Wolcott & Coolidge Fiduciary Advisors LLP (“Loring Wolcott”), a registered investment adviser, and Loring Wolcott & Coolidge Trust LLC (Loring Wolcott Trust”), a New Hampshire chartered non-depository trust company, respectively. Ms. Amy Domini, the founder and chairperson of the Adviser and a portfolio manager for certain Domini Funds, is a partner and private trustee with Loring Wolcott and Loring Wolcott Trust. Certain partners of Loring Wolcott have an indirect ownership interest in Domini. Trustees and representatives of Loring Wolcott and Loring Wolcott Trust may have voting authority over its clients’ shares held through the above-referenced NFS account or other Fund accounts.

The Funds have no knowledge of any other owners of record or beneficial owners of 25% or more of the outstanding shares of any other Fund.

***Principal Holders.***

As of October 31, 2024, to the knowledge of the Funds, the following shareholders of record owned 5% or more of the outstanding shares of a class of the **Equity Fund**:

*Investor Shares*

National Financial Services Corp., For the Exclusive Benefit of Customers, Attn: Mutual Funds Dept 4th Fl, 499 Washington Blvd, Jersey City, NJ 07310-2010 (11.43%); and Charles Schwab & Co. Inc., Reinvest Account, Attn: Mutual Funds Dept, 101 Montgomery St., San Francisco, CA 94104-4122 (8.83%).

*Institutional Shares*

Cynthia A Wayburn TTEE, Cynthia A Wayburn Trust U/A DTD 12/19/1996, PO Box 3725, Bellevue, WA 98009-3725 (24.16%); John Hancock Life Insurance Company of USA, RPS-Trading Ops ET-4, 601 Congress St, Boston, MA 02210-2805 (20.05%); William M. Roush, 710 Castle Creek Drive, Aspen, CO 81611-1138 (11.12%); Molly James Roush, 1411 Wynkoop Street, Apt. 905, Denver, CO 80202-000 (8.53%); and National Financial Services Corp., For the Exclusive Benefit of Customers, Attn: Mutual Funds Dept 4th Fl, 499 Washington Blvd, Jersey City, NJ 07310-2010 (5.88%).

*Class Y Shares*

Charles Schwab & Co. Inc., Special Custody Account for the Benefit of Customers, Attn: Mutual Funds Dept, 101 Montgomery St., San Francisco, CA 94104-4122 (38.15%); National Financial Services Corp., For the Exclusive Benefit of Customers, Attn: Mutual Funds Dept 4th Fl, 499 Washington Blvd, Jersey City, NJ 07310-2010 (17.29%); Empower Trust FBO Employee Benefit Clients 401K, 8515 E Orchard Rd, 2T2, Greenwood Village, CO 80111 (16.14%); Raymond James/Omnibus for Mutual Funds House Acct Firm 92500015, Attn Courtney Waller, 880 Carillon Parkway, St. Petersburg, FL 33716 (14.21%); and LPL Financial, FBO Customer Accounts, Attn: Mutual Fund Operations, 4707 Executive Drive, San Diego, CA 92121-3091 (6.71%).

The Equity Fund has no knowledge of any other owners of record or beneficial owners of 5% or more of any class of the outstanding shares of that Fund.

As of October 31, 2024, to the knowledge of the Funds, the following shareholders of record owned 5% or more of the outstanding shares of a class of the **International Opportunities Fund**:

*Investor Shares*

National Financial Services Corp., For the Exclusive Benefit of Customers, Attn: Mutual Funds Dept 4th Fl, 499 Washington Blvd, Jersey City, NJ 07310-2010 (23.07%); Charles Schwab & Co. Inc., Special Custody Account for the Benefit of Customers, Attn: Mutual Funds Dept, 101 Montgomery St., San Francisco, CA 94104-4122 (8.52%); and Ona Colasante, 21115 SE 179<sup>th</sup> Place, Hawthorne, FL 32640 (5.16%).

*Institutional Shares*

National Financial Services Corp., For the Exclusive Benefit of Customers, Attn: Mutual Funds Dept 4th Fl, 499 Washington Blvd, Jersey City, NJ 07310-2010 (99.71%).

The International Opportunities Fund has no knowledge of any other owners of record or beneficial owners of 5% or more of any class of the outstanding shares of that Fund.

As of October 31, 2024, to the knowledge of the Funds, the following shareholders of record owned 5% or more of the outstanding shares of a class of the **Sustainable Solutions Fund**:

*Investor Shares*

National Financial Services LLC, for the Exclusive Benefit of Customers, Attn: Mutual Fund Dept, 4th Floor, 499 Washington Blvd, Jersey City, NJ 07310-2010 (10.23%); and Charles Schwab & Co. Inc., Special Custody Account for the Benefit of Customers, Attn: Mutual Funds Dept, 101 Montgomery St., San Francisco, CA 94104-4122 (8.52%).

*Institutional Shares*

National Financial Services LLC, for the exclusive benefit of customers, Attn: Mutual Fund Dept, 4th Floor, 499 Washington Blvd, Jersey City, NJ 07310-2010 (61.88%); Linda Jean Stork, 12 Park Blvd., New Brunswick, NJ 08901 (21.27%); and SEI Private Trust Company, C/O BNY Mellon ID 255, Attn Mutual Fund, 1 Freedom Valley Drive, Oaks, PA 19456 (6.21%).

The Sustainable Solutions Fund has no knowledge of any other owners of record or beneficial owners of 5% or more of any class of the outstanding shares of that Fund.

As of October 31, 2024, to the knowledge of the Funds, the following shareholders of record owned 5% or more of the outstanding shares of a class of the **International Equity Fund**:

*Investor Shares*

Charles Schwab & Co. Inc., Reinvest Acc, Attn: Mutual Funds, 101 Montgomery St., San Francisco, CA 94104 (22.45%).

*Institutional Shares*

National Financial Services LLC for the Exclusive Benefit of Our Customer, Attn: Mutual Funds Dept. 4th Fl, 499 Washington Blvd., Jersey City, NJ 07310-2010 (16.66%); Charles Schwab & Co. Inc., Attn: Mutual Funds, 101 Montgomery St., San Francisco, CA 94104-4122 (18.12%); SEI Private Trust Company, c/o M&T ID 337, Attn Mutual Fund Admin, One Freedom Valley Drive, Oaks, PA 19456 (10.75%); Wells Fargo Clearing Services LLC, Special Custody Acct for the exclusive benefit of customer, 2801 Market Street, St. Louis, MO 63103 (10.73%); Charles Schwab & Co. Inc., Special Custody Account for the Benefit of Customers, Attn: Mutual Funds, 211 Main Street, San Francisco, CA 94105 (6.95%); JP Morgan Securities LLC omnibus account for the exclusive benefit of customers, 4 Chase Metrotech Center, 3rd Floor Mutual Fund Department, Brooklyn, NY 11245 (5.83%); and Wells Fargo NA, FBO Omnibus Account Cash, Cash XXXX0, PO Box 1533, Minneapolis, MN 55480 (6.52%).

*Class Y Shares*

Morgan Stanley Smith Barney LLC for the Exclusive Benefit of its Customers, 1 New York Plaza, Floor 12, New York, NY 1004-1901 (46.02%); Charles Schwab & Co. Inc Special Custody Acc FBO Customers, Attn: Mutual Funds, 211 Main St, San Francisco, CA 94105 (27.01%); Merrill Lynch Pierce Fenner & Smith Inc., For the Sole Benefit of its Customers, (7.18%); and American Enterprise Investment Svc, 707 2nd Ave South Minneapolis, MN 55402-2405 (6.32%).

The International Equity Fund has no knowledge of any other owners of record or beneficial owners of 5% or more of any class of the outstanding shares of that Fund.

As of October 31, 2024, to the knowledge of the Funds, the following shareholders of record owned 5% or more of the outstanding shares of a class of the **Bond Fund**:

*Investor Shares*

Charles Schwab & Co. Inc., Special Custody Account for the Benefit of Customers, Attn: Mutual Funds, 101 Montgomery St., San Francisco, CA 94104 (29.85%); and National Financial Services, For the Exclusive Benefit of Our Customers, Attn: Mutual Funds Dept. 4th Fl., 499 Washington Blvd., Floor 4, Jersey City, NJ 07310-2010 (15.14%).

*Institutional Shares*

Charles Schwab & Co. Inc. Attn: Mutual Funds, 101 Montgomery St., San Francisco, CA 94104 (24.07%); SEI Private Trust Company, C/O ID 370, One Freedom Valley Drive, Oaks, PA 19456 (19.99%); National Financial Services, For the Exclusive Benefit of Our Customers, Attn: Mutual Funds Dept. 4th Fl., 499 Washington Blvd., Floor 4, Jersey City, NJ 07310-2010 (22.05%); SEI Private Trust Company, c/o ID 370, One Freedom Valley Drive, Oaks, PA 19456 (17.83%); Charles Schwab & Co. Inc., Special Custody Account for the Benefit of Customers, Attn: Mutual Funds, 101 Montgomery St., San Francisco, CA 94104 (7.34%); and Mitra & Co FBO FCB/C/O Reliance Trust Co (WI), 480 Pilgrim Way—Suite 1000 Green Bay, WI 54304 (6.13%).

### *Class Y Shares*

Charles Schwab & Co. Inc., Special Custody Account for the Benefit of Customers, Attn: Mutual Funds, 101 Montgomery St., San Francisco, CA 94104 (77.24%); American Enterprise Investment Svc, 707 2nd Ave South Minneapolis, MN 55402-2405 (16.80%); and LPL Financial/FBO Customer Accounts, 4707 Executive Drive, San Diego, CA 92121-3091 (5.13%).

The Bond Fund has no knowledge of any other owners of record or beneficial owners of 5% or more of any class of the outstanding shares of that Fund.

### **INVESTMENT ADVISER**

Domini is a Massachusetts limited liability company with offices at 180 Maiden Lane, Suite 1302, New York, NY 10038, and is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). The names of the persons who control the adviser and the basis of the person’s control are as follows: Amy Domini Thornton, Chair of Domini; Steven Lydenberg, Member and Strategic Vision Partner of Domini; Carole Laible, Chair of the Board of the Trust and President of the Trust, and Chief Executive Officer of Domini; Maurizio Tallini, Chief Compliance Officer and Vice President of the Trust and Chief Compliance Officer of Domini; Megan Dunphy, Chief Legal Officer, Vice President and Secretary of the Trust and General Counsel of Domini; and Charles Rizzo, Treasurer of the Trust and Chief Financial Officer of Domini.

Domini manages the assets of the Funds pursuant to separate Management Agreements. The services provided by Domini include furnishing an investment program for the Funds. Domini will have authority to determine from time to time what securities are purchased, sold, or exchanged, and what portion of assets of each of the Funds is held uninvested. Domini will also perform such administrative and management tasks for the Funds as may from time to time be reasonably requested, including: (a) maintaining office facilities and furnishing clerical services necessary for maintaining the organization of the Funds and for performing administrative and management functions, (b) supervising the overall administration of the Funds, including negotiation of contracts and fees with, and monitoring of performance and billings of, the transfer agent, shareholder servicing agents, custodian, and other independent contractors or agents of the Funds, as applicable, (c) overseeing (with the advice of the counsel to the Funds) the preparation of and, if applicable, the filing of all documents required for compliance by the Funds with applicable laws and regulations, including registration statements, prospectuses, and statements of additional information, Semi-Annual and Annual Reports to shareholders, proxy statements, and tax returns, (d) preparing agendas and supporting documents for, and minutes of meetings of, the Trustees, committees of the Trustees, and shareholders, (e) arranging for maintenance of the books and records of the Funds, (f) maintaining telephone coverage to respond to investor and shareholder inquiries; and (g) answering questions from the general public, the media, and shareholders of the Funds regarding the securities holdings of the Funds, limits on investment, and the Funds’ proxy voting philosophy and shareholder activism philosophy. Domini provides persons satisfactory to the Board of Trustees of the Trust to serve as officers of the Trust, as applicable. Such officers, as well as certain other employees and Trustees of the Trust, may be directors, officers, or employees of Domini or its affiliates. Domini furnishes at its own expense all facilities and personnel necessary in connection with providing these services.

Unless otherwise terminated, the Management Agreement for each Fund will continue in effect if such continuance is specifically approved at least annually by the Board of Trustees or by a majority of the outstanding voting securities of the applicable Fund at a meeting called for the purpose of voting on such Management Agreement (with the vote of each investor in the applicable Fund being in proportion to the amount of its investment), and, in either case, by a majority of the Trustees who are not parties to such Management Agreement or interested persons of any such party at a meeting called for the purpose of voting on such Management Agreement.

Each Management Agreement provides that Domini may render services to others. Domini may employ, at its own expense, or may request that the Funds, as applicable, employ (subject to the requirements of the 1940 Act) one or more subadvisers, subject to Domini’s supervision. Each Management Agreement is terminable without penalty on not more than 60 days’ nor less than 30 days’ written notice by the Funds, as applicable, when authorized either by a majority vote of the outstanding voting securities of the Funds, as applicable, or by a vote of a majority of the Board of Trustees of the Trust, as applicable, or by Domini, and will automatically terminate in the event of its assignment. Each Management Agreement provides that neither Domini nor its personnel shall be liable for any error of judgment or mistake of law or for any loss arising out of any investment or for any act or omission in its services to the Funds, as applicable, except for willful misfeasance, bad faith, or gross negligence or reckless disregard of its or their obligations and duties under such Management Agreement.

The investment management fee rates payable by each Fund to Domini are set forth in the following table:

Fund	Annual Fee Rate Based on Average Daily Net Asset Value
Domini Impact Equity Fund	0.20% of the first \$2 billion of net assets managed, 0.19% of the next \$1 billion of net assets managed, and 0.18% of net assets managed in excess of \$3 billion
Domini International Opportunities Fund	0.85% of the first \$2 billion of net assets managed, 0.83% of the next \$1 billion of net assets managed, and 0.80% of net assets managed in excess of \$3 billion
Domini Sustainable Solutions Fund	0.85% of the first \$500 million of net assets managed, 0.83% of the next \$500 million of net assets managed, and 0.80% of net assets managed in excess of \$1 billion
Domini Impact International Equity Fund	0.94% of the first \$250 million of net assets managed, 0.83% of the next \$250 million of net assets managed,  0.75% of the next \$250 million of net assets managed, 0.73% of the next \$250 million of net assets managed, and 0.70% of net assets managed in excess of \$1 billion
Domini Impact Bond Fund	0.33% of the first \$50 million of net assets managed, 0.32% of the next \$50 million of net assets managed, and 0.315% of net assets managed in excess of \$100 million

From August 1, 2020, through July 31, 2024, Domini received fees at the following rates with respect to Domini Impact International Equity Fund: 0.96% of the first \$250 million of net assets managed, 0.88% of the next \$250 million, and 0.785% of net assets managed in excess of \$500 million. From May 1, 2017, through July 31, 2020, Domini received fees at the following rates: 0.97% of the first \$250 million of net assets managed, 0.92% of the next \$250 million, and 0.855% of the next \$500 million of net assets managed, and 0.83% of net assets managed in excess of \$1 billion.

#### Advisory Fees Paid by Each Fund

For the last three fiscal years, the Funds paid the total amounts, as reflected in the table below, for investment management services:

Fund	2024	2023	2022
Equity Fund	2,000,279	1,746,925	\$2,055,832
International Opportunities Fund	195,847	177,655	\$210,937
Sustainable Solutions Fund	286,956	251,069	\$278,075
International Equity Fund	6,921,818	8,326,017	\$12,611,918
Bond Fund	726,278	716,318	\$844,954

#### Expense Reimbursement

For the last three fiscal years, Domini waived fees and reimbursed the Funds, as reflected in the table below, under the applicable expense reimbursement agreement:

Fund	2024		2023		2022	
	Expenses Reimbursed	Fees Waived	Expenses Reimbursed	Fees Waived	Expenses Reimbursed	Fees Waived
Equity Fund	30,520	—	14,339	—	\$22,162	—
International Opportunities Fund	270,298	—	262,078	—	\$212,262	—
Sustainable Solutions Fund	151,161	—	116,121	—	\$96,873	—
International Equity Fund	11,863	—	—	—	—	—
Bond Fund	395,474	—	373,503	—	\$360,982	—

With respect to the **Equity Fund**, Domini has contractually agreed to reduce its fees to the extent necessary to keep the annual operating expenses of the Equity Fund (excluding brokerage fees and commissions, interest, taxes, and other extraordinary expenses), net of waivers and reimbursements, at no greater than 1.09%, 0.74%, and 0.80%, of the average daily net assets of the Investor, Institutional, and Class Y shares of the Equity Fund, respectively. This agreement will continue until November 30, 2025, and cannot be modified before that date without the mutual agreement of the Trust's board of trustees and the Adviser.

With respect to the **International Opportunities Fund**, Domini has contractually agreed to waive certain fees and/or reimburse certain ordinary operating expenses of the Fund (excluding brokerage fees and commissions, interest, taxes, and other extraordinary expenses), in order to limit Investor and Institutional share annual operating expenses to 1.40% and 1.15% of the average daily net assets of each class, net of waivers and reimbursements, respectively. This agreement will continue until November 30, 2025 and cannot be modified before that date without the mutual agreement of the Trust's board of trustees and the Adviser.

With respect to the **Sustainable Solutions Fund**, Domini has contractually agreed to waive certain fees and/or reimburse certain ordinary operating expenses of the Fund (excluding brokerage fees and commissions, interest, taxes, and other extraordinary expenses), in order to limit Investor and Institutional share annual operating expenses to 1.40% and 1.15% of the average daily net assets of each class, net of waivers and reimbursements, respectively. This agreement will continue until November 30, 2025, and cannot be modified before that date without the mutual agreement of the Trust's board of trustees and the Adviser.

With respect to the **International Equity Fund**, Domini has contractually agreed to reduce its fees to the extent necessary to keep the annual operating expenses of the International Equity Fund (excluding brokerage fees and commissions, interest, taxes, and other extraordinary expenses), net of waivers and reimbursements, at no greater than 1.12% of the average daily net assets of the Class Y shares of the International Equity Fund. This agreement will continue until November 30, 2025 with respect to Class Y shares and cannot be modified before that date without the mutual agreement of the Trust's board of trustees and the Adviser.

With respect to the **Bond Fund**, Domini has contractually agreed to reduce its fees to the extent necessary to keep the annual operating expenses of the Bond Fund (excluding brokerage fees and commissions, interest, taxes, and other extraordinary expenses), net of waivers and reimbursements, at no greater than 0.87%, 0.57%, and 0.65% of the average daily net assets of the Investor, Institutional and Class Y shares of the Bond Fund, respectively. This agreement will continue until November 30, 2025 and cannot be modified before that date without the mutual agreement of the Trust's board of trustees and the Adviser.

There can be no assurance that the above fee waivers or expense limitations will continue beyond the dates indicated.

#### **Expense Offset Arrangement**

Any credits realized as a result of uninvested cash balances are used to reduce the Funds' transfer agent expenses. Such realized credits reduce Other Expenses and the Adviser's obligation under the contractual expenses limitation.

For the fiscal years ended July 31, 2024, 2023, and 2022, there were no expense offset arrangements in effect and no credits were realized by the Equity Fund.

For the fiscal year ended July 31, 2024, 2023, and 2022, there were no expense offset arrangements in effect and no credits were realized by the International Opportunities Fund.

For the fiscal year ended July 31, 2024, 2023, and 2022 there were no expense offset arrangements in effect and no credits were realized by the Sustainable Solutions Fund.

For the fiscal years ended July 31, 2024, 2023, and 2022, there were no expense offset arrangements in effect and no credits were realized by the International Equity Fund.

For the fiscal years ended July 31, 2024, 2023, and 2022, there were no expense offset arrangements in effect and no credits were realized by the Bond Fund.

#### ***Additional Information about Domini Portfolio Managers of the Equity Fund, International Opportunities Fund and Sustainable Solutions Fund***

As of July 31, 2024, Ms. Domini had day-to-day management responsibilities for the assets of: (i) 3 registered investment companies with approximately \$1.16 billion in assets under management; (ii) no other pooled investment vehicles, and (iii) 67 other accounts with approximately \$ 287.6 million in assets under management. There are no performance-based fees associated with these accounts.

As of July 31, 2024, Ms. Laible had day-to-day management responsibilities for the assets of: (i) 3 registered investment companies with approximately \$1.16 billion in assets under management, (ii) no other pooled investment vehicles, and (iii) no other accounts. There are no performance-based fees associated with these accounts.

## ***Potential Conflicts of Interest***

Material conflicts of interest may arise when a Fund's portfolio managers also has day-to-day management responsibilities with respect to one or more other funds or other accounts. These potential conflicts include:

*Allocation of Limited Time and Attention.* A portfolio manager who is responsible for managing multiple funds and/or accounts may devote unequal time and attention to the management of those funds and/or accounts. As a result, the portfolio manager may not be able to formulate as complete a strategy or identify equally attractive investment opportunities for each of those accounts as might be the case if he or she were to devote substantially more attention to the management of a single fund. The effects of this potential conflict may be more pronounced where funds and/or accounts overseen by a particular portfolio manager have different investment strategies.

Domini seeks to manage such competing interests for time and attention of portfolio managers by having portfolio managers focus on the application of Domini's proprietary impact investment standards. Domini also maintains a Code of Ethics to detect and prevent activities of employees that would result in a breach of the portfolio managers' fiduciary duties to a Fund.

*Allocation of Limited Investment Opportunities.* If a portfolio manager identifies a limited investment opportunity that may be suitable for multiple funds and/or accounts, the opportunity may need to be divided among those funds or accounts, which may limit a Fund's ability to take full advantage of the investment opportunity. To deal with these situations, Domini has adopted a trade allocation procedure. Generally, the decision on when to purchase or sell securities for Domini's Fund clients are made by the Subadviser's portfolio manager who is appointed and supervised by the Subadviser's senior officers rather than Domini.

*Pursuit of Differing Strategies.* Investment decisions for a Fund and Domini's other clients are made with a view to achieving their respective investment objectives. At times, a portfolio manager may determine that an investment opportunity may be appropriate for only some of the funds and/or accounts for which he or she exercises investment responsibility, or may decide that certain of the funds and/or accounts should take differing positions with respect to a particular security. In these cases, the portfolio manager may place separate transactions for one or more funds or accounts which may affect the market price of the security or the execution of the transaction, or both, to the detriment or benefit of one or more other funds and/or accounts. In the event that Domini removes a security from a Fund's Approved Securities List or other investment instruction list and the approved list for other clients, Domini shall notify the portfolio manager of such removal. If the security that is the subject of the removal is held by both fund and non-fund clients, Domini shall coordinate with the Fund's Subadviser to establish the trading parameters and trade date for such security in order to endeavor to treat all client accounts fairly. Domini does not generally initiate purchases or sales of securities for its Fund clients, but delegates daily responsibility for effecting fund-related trades to the Subadviser.

*Variation in Compensation.* A conflict of interest may arise where the management fee structure differs among funds and/or accounts, such as where certain funds or accounts pay higher management fees or performance-based management fees. In such cases, the portfolio manager might be motivated to devote more attention to, or otherwise favor, more profitable funds and/or accounts. To help address these types of conflicts, Domini has established a compensation system that is identical regardless of whether an employee supports a fund or non-fund client. Furthermore, each individual's compensation at Domini is based on individual performance and company profitability rather than the performance of a particular fund or account.

*Proprietary Investments.* Domini may have substantial personal or proprietary investments in some of the accounts managed by a portfolio manager. A portfolio manager might be motivated to favor funds and/or accounts in which he or she, or his or her colleagues, has an interest or in which Domini has interests. However, each Domini portfolio manager is subject to Domini's Code of Ethics policy governing personal securities transactions in which portfolio managers engage.

*Other Factors.* Several other factors, including the desire to maintain or increase assets under the Domini's management or to enhance the portfolio manager's performance record or to derive other rewards, financial or otherwise, could influence the portfolio manager in affording preferential treatment to some funds and/or accounts. To help address these types of conflicts, Domini has adopted a Code of Ethics.

As discussed above, Domini has adopted compliance policies and procedures that are designed to address various conflicts of interest that may arise for Domini and the individuals that it employs. However, there is no guarantee that the policies and procedures adopted by Domini will be able to detect and/or prevent every situation in which an actual or potential conflict may appear.

## ***Compensation of Domini Portfolio Managers and Ownership of Fund Shares***

Domini employees are paid a base salary plus an annual bonus at Domini's discretion, based on company profitability and each individual's job performance. Compensation levels and bonuses are reviewed annually and are adjusted based on overall company performance and each individual's level of service and contribution. Domini personnel are not compensated based on Fund or

portfolio performance. Domini seeks to attract and retain superior individuals through competitive salaries and benefits and through our global reputation as a leader in the field.

The following table indicates as of July 31, 2024 the value, within the indicated range, of shares of the Equity Fund, International Opportunities Fund and Sustainable Solutions Fund beneficially owned by Ms. Domini and Ms. Laible:

<b>Name of Portfolio Manager</b>	<b>Beneficial Ownership of the Equity Fund</b>	<b>Beneficial Ownership of the International Opportunities Fund</b>	<b>Beneficial Ownership of the Sustainable Solutions Fund</b>
Amy Domini Thornton.....	over \$1,000,000	\$100,001-\$500,000	\$100,001-\$500,000
Carole M. Laible.....	\$500,001-\$1,000,000	\$100,001-\$500,000	\$100,001-\$500,000

## SUBADVISERS

The Funds may use one or more subadvisers who are responsible for the day-to-day management of the Fund’s investments, subject to the oversight of the Adviser. The subadvisers are paid out of the fees paid to the Adviser. The Fund has no responsibility to pay any fee to a subadviser.

The Funds employ a “manager of managers” structure. In this regard, the Funds have received an exemptive order from the SEC (Release No. IC-30035) that permits the Adviser, without shareholder approval, to enter into and materially amend any submanagement agreement upon approval of the Board of Trustees. The exemptive order permits the Funds to disclose the aggregate subadvisory fee paid to unaffiliated subadvisers on behalf of each Fund instead of disclosing the specific fee paid to each subadviser. The SEC order is subject to certain conditions. For example, within ninety days of the hiring of any new subadviser, shareholders will be furnished with information that would be included in a proxy statement regarding the new subadviser. Moreover, the Adviser will not enter into a submanagement agreement with any affiliated subadviser without shareholder approval. The Adviser has ultimate responsibility (subject to Board oversight) to oversee the subadvisers and to recommend their hiring, termination, and replacement.

Each Submanagement Agreement provides that the applicable subadviser may render services to others. Each Submanagement Agreement is terminable without penalty upon not more than 60 days’ nor less than 30 days’ written notice by a Stock Fund, or the Bond Fund, as the case may be, when authorized either by majority vote of the outstanding voting securities in the Stock Fund (with the vote of each being in proportion to the amount of their investment), or the Bond Fund, as applicable, or by a vote of the majority of the appropriate Board of Trustees, or by Domini with the consent of the Trustees, and may be terminated by the applicable subadviser on not less than 90 days’ written notice to Domini and the Trustees, and will automatically terminate in the event of its assignment. Each Submanagement Agreement provides that the applicable subadviser shall not be liable for any error of judgment or mistake of law or for any loss arising out of any investment or for any act or omission in its services to a Stock Fund, or the Bond Fund, as the case may be, except for willful misfeasance, bad faith, or gross negligence or reckless disregard for its or their obligations and duties under the Submanagement Agreement.

## SSGA FUNDS MANAGEMENT, INC.

SSGA FM provides submanagement services with respect to the Equity Fund, International Opportunities Fund, and Sustainable Solutions Fund pursuant to investment submanagement agreements with Domini on behalf of each Fund (the “Submanagement Agreements”). SSGA FM furnishes at its own expense all services, facilities, and personnel necessary in connection with managing each Fund’s investments and effecting securities transactions for the Fund. The Submanagement Agreement with SSGA FM will continue in effect if such continuance is specifically approved within two years of its effective date, and at least annually thereafter with respect to each Fund, by the Board of Trustees or by a majority vote of the outstanding voting securities of the Fund at a meeting called for the purpose of voting on the Fund’s Submanagement Agreement, and, in either case, by a majority of the Trustees who are not parties to such Submanagement Agreement or interested persons of any such party at a meeting called for the purpose of voting on such Submanagement Agreement.

SSGA FM is a wholly-owned subsidiary of State Street Global Advisors, Inc., which itself is a wholly-owned subsidiary of State Street Corporation (“State Street”), a publicly traded financial holding company organized in Massachusetts. SSGA FM is registered with the U.S. Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended. SSGA FM and certain other affiliates of State Street make up State Street Global Advisors (“SSGA”). SSGA is one of the world’s largest institutional money managers and the investment management arm of State Street. As of July 31, 2024, SSGA FM managed approximately \$1.03 trillion in assets and SSGA managed approximately \$4.48 trillion in assets. SSGA FM’s principal business address is One Iron Street, Boston, Massachusetts 02210.

SSGA commenced subadvisory services for the Equity Fund on December 1, 2018. For the period from November 30, 2006, through November 30, 2018, Wellington Management Company LLP served as the Equity Fund’s subadviser.



### *Additional Information about SSGA Portfolio Managers*

Kathleen Morgan, CFA, Vice President of SSGA FM and SSGA and a Senior Portfolio Manager in the Systematic Equity Beta Group, joined SSGA as an investment professional in 2017 and has been a member of the Systematic Equity Beta Group since that time. In this capacity, Ms. Morgan is responsible for the management of various equity index funds that are benchmarked to both domestic and international strategies. She has been a portfolio manager of the **Domini Impact Equity Fund** since 2018 and the **Domini Sustainable Solutions Fund** and the **Domini International Opportunities Fund** since 2024. Prior to joining SSGA, Ms. Morgan worked in Equity Product Management at Wellington Management from 2015 to 2017, conducting independent risk oversight and developing investment product marketing strategy. Ms. Morgan's prior experience also includes index equity portfolio management at BlackRock. She has been an investment professional since 2006.

As of July 31, 2024, Ms. Morgan had day-to-day management responsibilities for the assets of: (i) 126 other registered investment companies with approximately \$1.2 trillion in assets under management, (ii) 360 other pooled investment vehicles with approximately \$921.11 billion in assets under management, and (iii) 465 other accounts with a total of approximately \$555.62 billion in assets under management. There are no performance-based fees associated with these accounts.

Michael Finocchi, Vice President of SSGA FM and SSGA, and a Senior Portfolio Manager in the Systematic Equity Beta Group, joined SSGA as an investment professional in 2005. He has been a portfolio manager of the **Domini Sustainable Solutions Fund** since 2020, the **Domini International Opportunities Fund** since 2021, and the **Domini Impact Equity Fund** since 2024. He is responsible for managing a wide variety of equity index and tax-efficient strategies for institutional clients and high net worth individuals. Prior to assuming his portfolio manager role in 2012, Mr. Finocchi was a senior manager in Portfolio Administration responsible for the operations of funds managed by the Systematic Equity Beta Group. Before joining SSGA in 2005, he worked for Investors Bank & Trust as a senior tax analyst following his role in custody servicing.

As of July 31, 2024, Mr. Finocchi had day-to-day management responsibilities for the assets of: (i) 126 other registered investment companies with approximately \$1.2 trillion in assets under management, (ii) 360 other pooled investment vehicles with approximately \$921.11 billion in assets under management, and (iii) 465 other accounts with a total of approximately \$555.62 billion in assets under management. There are no performance-based fees associated with these accounts.

### *Potential Conflicts of Interest*

A Portfolio Manager that has responsibility for managing more than one account may be subject to potential conflicts of interest because he or she is responsible for other accounts in addition to the Funds. Those conflicts could include preferential treatment of one account over others in terms of: (a) the Portfolio Manager's execution of different investment strategies for various accounts; or (b) the allocation of resources or of investment opportunities.

Portfolio Managers may manage numerous accounts for multiple clients. These accounts may include registered investment companies, other types of pooled accounts (e.g., collective investment funds), and separate accounts (i.e., accounts managed on behalf of individuals or public or private institutions). Portfolio Managers make investment decisions for each account based on the investment objectives and policies and other relevant investment considerations applicable to that portfolio. A potential conflict of interest may arise as a result of a Portfolio Manager's responsibility for multiple accounts with similar investment guidelines. Under these circumstances, a potential investment may be suitable for more than one of the Portfolio Manager's accounts, but the quantity of the investment available for purchase is less than the aggregate amount the accounts would ideally allocate to the opportunity. Similar conflicts may arise when multiple accounts seek to dispose of the same investment. The Portfolio Managers may also manage accounts whose objectives and policies differ from that of the Funds. These differences may be such that under certain circumstances, trading activity appropriate for one account managed by the Portfolio Manager may have adverse consequences for another account managed by the Portfolio Manager. For example, an account may sell a significant position in a security, which could cause the market price of that security to decrease, while a Fund maintained its position in that security.

A potential conflict may arise when the Portfolio Managers are responsible for accounts that have different advisory fees—the difference in fees could create an incentive for the Portfolio Manager to favor one account over another, for example, in terms of access to investment opportunities. This conflict may be heightened if an account is subject to a performance-based fee, as applicable. Another potential conflict may arise when the Portfolio Manager has a personal investment in one or more accounts that participate in transactions with other accounts. His or her personal investment(s) may create an incentive for the Portfolio Manager to favor one account over another. SSGA FM has adopted policies and procedures reasonably designed to address these potential material conflicts. For instance, Portfolio Managers are normally responsible for all accounts within a certain investment discipline, and do not, absent special circumstances, differentiate among the various accounts when allocating resources. Additionally, SSGA FM and its advisory affiliates have processes and procedures for allocating investment opportunities among portfolios that are designed to provide a fair and equitable allocation. With respect to conflicts arising from personal investments, all employees, including Portfolio Managers, must comply with personal trading controls established by each of SSGA FM's and the SSGA Trusts' Code of Ethics.

## ***Compensation of SSGA FM Portfolio Manager and Ownership of Fund Shares***

SSGA's culture is complemented and reinforced by a total rewards strategy that is based on a pay for performance philosophy which seeks to offer a competitive pay mix of base salary, benefits, cash incentives and deferred compensation.

Salary is based on a number of factors, including external benchmarking data and market trends, and performance both at the business and individual level. SSGA's Global Human Resources department regularly participates in compensation surveys in order to provide SSGA with market-based compensation information that helps support individual pay decisions.

Additionally, subject to State Street and SSGA business results, an incentive pool is allocated to SSGA to reward its employees. The size of the incentive pool for most business units is based on the firm's overall profitability and other factors, including performance against risk-related goals. For most SSGA investment teams, SSGA recognizes and rewards performance by linking annual incentive decisions for investment teams to the firm's or business unit's profitability and business unit investment performance over a multi-year period.

Incentive pool funding for most active investment teams is driven in part by the post-tax investment performance of fund(s) managed by the team versus the return levels of the benchmark index(es) of the fund(s) on a one-, three- and, in some cases, five-year basis. For most active investment teams, a material portion of incentive compensation for senior staff is deferred over a four-year period into the SSGA Long-Term Incentive ("SSGA LTI") program. For these teams, The SSGA LTI program indexes the performance of these deferred awards against the post-tax investment performance of fund(s) managed by the team. This is intended to align our investment team's compensation with client interests, both through annual incentive compensation awards and through the long-term value of deferred awards in the SSGA LTI program.

For the index equity investment team, incentive pool funding is driven in part by the post-tax 1 and 3-year tracking error of the funds managed by the team against the benchmark indexes of the funds.

The discretionary allocation of the incentive pool to the business units within SSGA is influenced by market-based compensation data, as well as the overall performance of each business unit. Individual compensation decisions are made by the employee's manager, in conjunction with the senior management of the employee's business unit. These decisions are based on the overall performance of the employee and, as mentioned above, on the performance of the firm and business unit. Depending on the job level, a portion of the annual incentive may be awarded in deferred compensation, which may include cash and/or Deferred Stock Awards (State Street stock), which typically vest over a four-year period. This helps to retain staff and further aligns SSGA employees' interests with SSGA clients' and shareholders' long-term interests.

SSGA recognizes and rewards outstanding performance by: (i) promoting employee ownership to connect employees directly to the company's success; (ii) using rewards to reinforce mission, vision, values and business strategy; (iii) seeking to recognize and preserve the firm's unique culture and team orientation; and (iv) providing all employees the opportunity to share in the success of SSGA.

As of July 31, 2024, Ms. Morgan did not own any equity securities of the Equity Fund, Sustainable Solutions Fund, or the International Opportunities Fund.

As of July 31, 2024, Mr. Finocchi did not own any equity securities of the Equity Fund, Sustainable Solutions Fund, or the International Opportunities Fund.

## **WELLINGTON MANAGEMENT COMPANY LLP**

Wellington Management Company LLP ("Wellington Management") submanages the assets of the International Equity Fund and Bond Fund pursuant to investment submanagement agreements with Domini on behalf of each Fund, respectively (each a "Submanagement Agreement"). Wellington Management furnishes at its own expense all services, facilities, and personnel necessary in connection with managing each of the above-referenced Fund's investments and effecting securities transactions for each Fund. The Submanagement Agreements with Wellington Management will continue in effect if such continuance is specifically approved by April 30, 2019, and at least annually thereafter with respect to each Fund, by the Board of Trustees or by a majority vote of the outstanding voting securities of the applicable Fund at a meeting called for the purpose of voting on such Fund's Submanagement Agreement (with the vote of each being in proportion to the amount of its investment), and, in either case, by a majority of the Trustees who are not parties to such Submanagement Agreement or interested persons of any such party at a meeting called for the purpose of voting on such Submanagement Agreement.

Wellington Management is a Delaware limited liability partnership with principal offices at 280 Congress Street, Boston, Massachusetts 02210. Wellington Management is a professional investment counseling firm which provides investment services to

investment companies, employee benefit plans, endowments, foundations, and other institutions. Wellington Management and its predecessor organizations have provided investment advisory services for over 80 years. Wellington Management is owned by the partners of Wellington Management Group LLP, a Massachusetts limited liability partnership. As of July 31, 2024, Wellington Management had investment management authority with respect to approximately \$1.265 trillion in assets.

#### ***Additional Information about Wellington Management Portfolio Managers***

The International Equity Fund is submanaged by a team of investment professionals from the quantitative management group at Wellington Management. The Bond Fund is submanaged by a team of investment professionals from the US broad market team at Wellington Management. The following information regarding each investment professional's compensation, other accounts, and ownership of Fund shares has been provided by Wellington Management.

Mark A. Yarger, CFA, Managing Director and Associate Director of Portfolio Management, Quantitative Investment Group of Wellington Management, has been an investment professional with Wellington Management since 2000 and a member of the Quantitative Investment Group since 2005. He has served as a portfolio manager responsible for the International Equity Fund since February 2024.

As of July 31, 2024, Mr. Yarger had day-to-day management responsibilities for the assets of: (i) 2 other registered investment companies with approximately \$424.2 million in assets under management, (ii) 16 other pooled investment vehicles with approximately \$1.55 billion in assets under management, and (iii) 12 other accounts with approximately \$3.1 billion in assets under management. The advisory fee for 3 of these accounts (with approximately \$1.41 billion in aggregate assets) is based upon performance. Christopher Grohe, CFA, Senior Managing Director, Associate Director of the Quantitative Investments Group of Wellington Management, has been an investment professional with Wellington since 2002 and a member of the quantitative group supporting the Domini Funds since 2005. He has served as a portfolio manager responsible for the International Equity Fund since November 2021.

As of July 31, 2024, Mr. Grohe had day-to-day management responsibilities for the assets of: (i) 3 other registered investment companies with approximately \$424.5 million in assets under management, (ii) 16 other pooled investment vehicles with approximately \$1.55 billion in assets under management, and (iii) 12 other accounts with approximately \$3.1 billion in assets under management. The advisory fee for three of these accounts (with approximately \$1.41 billion in aggregate assets) is based upon performance.

Campe Goodman, CFA, Senior Managing Director, and Fixed Income Portfolio Manager of Wellington Management, joined Wellington Management in 2000 and has served as the portfolio manager responsible for the Bond Fund since January 7, 2015.

As of July 31, 2024, Mr. Goodman had day-to-day management responsibilities for the assets of: (i) 19 registered investment companies with approximately \$14.51 billion in assets under management, (ii) 14 other pooled investment vehicles with approximately \$8.44 billion in assets under management, and (iii) 42 other accounts with a total of approximately \$17.05 billion in assets under management. The advisory fee for one of these accounts (with approximately \$375.3 million in aggregate assets) is based upon performance.

Samuel Epee-Bounya, Senior Managing Director and Portfolio Manager on the Broad Markets Team of Wellington Management joined Wellington Management in 2010 and has served as a portfolio manager responsible for the Bond Fund since November 30, 2024.

As of July 31, 2024, Mr. Epee-Bounya did not have day-to-day management responsibilities for any other registered investment companies, pooled investment vehicles, or accounts.

Robert D. Burn, CFA, Senior Managing Director and Fixed Income Portfolio Manager on the Broad Markets Team of Wellington Management joined Wellington Management in 2007 and has served as a portfolio manager responsible for the Bond Fund since November 30, 2024.

As of July 31, 2024, Mr. Burn had day-to-day management responsibilities for the assets of: (i) 19 registered investment companies with approximately \$14.4 billion in assets under management, (ii) 11 other pooled investment vehicles with approximately \$6.82 billion in assets under management, and (iii) 39 other accounts with a total of approximately \$16.84 billion in assets under management. The advisory fee for one of these accounts (with approximately \$375.3 million in aggregate assets) is based upon performance.

## ***Potential Conflicts of Interest***

Individual investment professionals at Wellington Management manage multiple accounts for multiple clients. These accounts may include mutual funds, separate accounts (assets managed on behalf of institutions, such as pension funds, insurance companies, foundations, or separately managed account programs sponsored by financial intermediaries), bank common trust accounts, and hedge funds. Each Fund's portfolio manager listed in the prospectus who is primarily responsible for the day-to-day management of the relevant Fund ("Portfolio Managers") generally manages accounts in several different investment styles. These accounts may have investment objectives, strategies, time horizons, tax considerations and risk profiles that differ from those of the Funds. The Portfolio Managers make investment decisions for each account, including the relevant Fund, based on the investment objectives, policies, practices, benchmarks, cash flows, tax and other relevant investment considerations applicable to that account. Consequently, the Portfolio Managers may purchase or sell securities, including IPOs, for one account and not another account, and the performance of securities purchased for one account may vary from the performance of securities purchased for other accounts. Alternatively, these accounts may be managed in a similar fashion to the relevant Fund and thus the accounts may have similar, and in some cases nearly identical, objectives, strategies and/or holdings to that of the relevant Fund.

A Portfolio Manager or other investment professionals at Wellington Management may place transactions on behalf of other accounts that are directly or indirectly contrary to investment decisions made on behalf of the relevant Fund, or make investment decisions that are similar to those made for the relevant Fund, both of which have the potential to adversely impact the relevant Fund depending on market conditions. For example, an investment professional may purchase a security in one account while appropriately selling that same security in another account. Similarly, a Portfolio Manager may purchase the same security for the relevant Fund and one or more other accounts at or about the same time. In those instances the other accounts will have access to their respective holdings prior to the public disclosure of the relevant Fund's holdings. Also, investment professionals at Wellington Management may make investments in different parts of an issuer's capital structure such as acquiring a loan of a particular borrower in one account while making an equity investment in that same borrower on behalf of another account. In addition, some of these accounts have fee structures, including performance fees, which are or have the potential to be higher, in some cases significantly higher, than the fees Wellington Management receives for managing the Funds. Messrs. Yarger, Grohe, Goodman, and Burn also manage accounts which pay performance allocations to Wellington Management or its affiliates. Because incentive payments paid by Wellington Management to the Portfolio Managers are tied to revenues earned by Wellington Management and, where noted, to the performance achieved by the manager in each account, the incentives associated with any given account may be significantly higher or lower than those associated with other accounts managed by a given Portfolio Manager. Finally, the Portfolio Managers may hold shares or investments in the other pooled investment vehicles and/or other accounts identified above.

Wellington Management's goal is to meet its fiduciary obligation to treat all clients fairly and provide high quality investment services to all of its clients. Wellington Management has adopted and implemented policies and procedures, including brokerage and trade allocation policies and procedures, which it believes address the conflicts associated with managing multiple accounts for multiple clients. In addition, Wellington Management monitors a variety of areas, including compliance with primary account guidelines, the allocation of IPOs, and compliance with the firm's Code of Ethics, and places additional investment restrictions on investment professionals who manage hedge funds and certain other accounts. Furthermore, senior investment and business personnel at Wellington Management periodically review the performance of Wellington Management's investment professionals. Although Wellington Management does not track the time an investment professional spends on a single account, Wellington Management does periodically assess whether an investment professional has adequate time and resources to effectively manage the investment professional's various client mandates.

## ***Compensation of Wellington Management Portfolio Managers and Ownership of Fund Shares***

Wellington Management receives a fee based on the assets under management of each Fund as set forth in the applicable Submanagement Agreement between Wellington Management and Domini with respect to each Fund. Wellington Management pays its investment professionals out of its total revenues, including the advisory fees earned with respect to each Fund. The following information relates to the fiscal year ended July 31, 2024.

Wellington Management's compensation structure is designed to attract and retain high-caliber investment professionals necessary to deliver high quality investment management services to its clients. Wellington Management's compensation of each Fund's manager listed in the prospectus who is primarily responsible for the day-to-day management of the Funds (the "Portfolio Managers") includes a base salary and incentive components. The base salary for each Portfolio Manager who is a partner (a "Partner") of Wellington Management Group LLP, the ultimate holding company of Wellington Management, is generally a fixed amount determined by the managing partners of Wellington Management Group LLP. The base salaries for the other Portfolio Managers are determined by the Portfolio Managers' experience and performance in their roles as Portfolio Managers. Base salaries for Wellington Management's employees are reviewed annually and may be adjusted based on the recommendation of a Portfolio Manager's manager, using guidelines established by Wellington Management's Compensation Committee, which has final oversight responsibility for base salaries of employees of the firm. Each Portfolio Manager is eligible to receive an incentive payment based on the revenues earned by

Wellington Management from the Fund managed by the Portfolio Manager and generally each other account managed by such Portfolio Manager. Each Portfolio Manager's incentive payment relating to the relevant Fund is linked to the gross pre-tax performance of the portion of the Fund managed by the Portfolio Manager compared to the benchmark index and/or peer group identified below over one, three and five- year periods, with an emphasis on five-year results. Wellington Management applies similar incentive compensation structures (although the benchmarks or peer groups, time periods, and rates may differ) to other accounts managed by the Portfolio Managers, including accounts with performance fees.

Portfolio-based incentives across all accounts managed by an investment professional can, and typically do, represent a significant portion of an investment professional's overall compensation; incentive compensation varies significantly by individual and can vary significantly from year to year. The Portfolio Managers may also be eligible for bonus payments based on their overall contribution to Wellington Management's business operations. Senior management at Wellington Management may reward individuals as it deems appropriate based on other factors. Each Partner is eligible to participate in a Partner-funded tax qualified retirement plan, the contributions to which are made pursuant to an actuarial formula. Messrs. Burn, Grohe, Goodman are Partners.

<b>Fund</b>	<b>Benchmark Index and/or Peer Group</b>
Domini Impact Bond Fund	Bloomberg U.S. Aggregate Bond
Domini Impact International Equity Fund	EAFE SRI Optimized Custom Benchmark

As of July 31, 2024, Mr. Yarger did not own any equity securities of the Domini Impact International Equity Fund.

As of July 31, 2024, Mr. Grohe did not own any equity securities of the Domini Impact International Equity Fund.

As of July 31, 2024, Mr. Goodman owned \$10,001-50,000 in equity securities of the Domini Impact Bond Fund.

As of July 31, 2024, Mr. Epee-Bounya did not own any equity securities of the Domini Impact Bond Fund.

As of July 31, 2024, Mr. Burn did not own any equity securities of the Domini Impact Bond Fund.

## **SUB-ADVISORY FEES PAID BY EACH FUND**

### **Equity Fund**

For the fiscal year ended July 31, 2024, 2023, and 2022, Domini paid SSGA subadvisory fees with respect to the Equity Fund of \$250,028, \$224,693, and \$255,583, respectively (0.02%, 0.03%, and 0.02%, of the average daily net assets of the Fund, respectively).

### **International Opportunities Fund**

For the fiscal year ended July 31, 2024, 2023, and 2022, Domini paid SSGA subadvisory fees with respect to the International Opportunities Fund of \$175,000, \$175,000, and \$121,194 (0.76%, 0.84%, and 0.49%, of the average daily net assets of the Fund, respectively).

### **Sustainable Solutions Fund**

For the fiscal years ended July 31, 2024, 2023, and 2022, Domini paid SSGA submanagement fees with respect to the Sustainable Solutions Fund of \$175,000, \$175,000, and \$175,000, respectively (0.52%, 0.59%, and 0.53%, of the average daily net assets of the Fund, respectively).

### **International Equity Fund**

For the fiscal years ended July 31, 2024, 2023, and 2022, Domini paid Wellington Management submanagement fees with respect to the International Equity Fund of \$3,284,783, \$3,926,731, and \$5,842,193, respectively (0.41%, 0.40%, and 0.38%, of the average daily net assets of the Fund, respectively).

## Bond Fund

For the fiscal years ended July 31, 2024, 2023, and 2022, Domini paid Wellington Management submanagement fees with respect to the Bond Fund of \$454,780, \$448,456, and \$530,129, respectively, (0.20%, 0.20%, and 0.20%, of the average daily net assets of the Fund, respectively).

## SPONSOR

Pursuant to a Sponsorship Agreement with respect to the Equity Fund and an Administration Agreement with respect to the Bond Fund, Domini provides the Funds with oversight, administrative, and management services. Domini provides each Fund with general office facilities and supervises the overall administration of each Fund, including, among other responsibilities, the negotiation of contracts and fees with, and the monitoring of performance and billings of, the independent contractors and agents of each Fund; the preparation and filing of all documents required for compliance by each Fund with applicable laws and regulations, including registration statements, prospectuses, and statements of additional information, Semi-Annual and Annual Reports to shareholders, proxy statements, and tax returns; preparing agendas and supporting documents for, and minutes of meetings of, the Trustees, committees of the Trustees, and shareholders; maintaining telephone coverage to respond to shareholder inquiries; answering questions from the general public, the media, and investors in each Fund regarding the securities holdings of the Equity Fund and the Bond Fund, as applicable, limits on investment, and the Funds' proxy voting philosophy and shareholder activism philosophy; and arranging for the maintenance of books and records of each Fund. Domini provides persons satisfactory to the Board of Trustees of the Funds to serve as officers of the Funds. Such officers, as well as certain other employees and Trustees of the Funds, may be directors, officers, or employees of Domini or its affiliates.

Under the Sponsorship Agreement between Domini and the Trust on behalf of the Equity Fund, Domini receives fees for administrative and sponsorship services with respect to the Equity Fund at the following rates: 0.45% of the first \$2 billion of net assets managed, 0.44% of the next \$1 billion of net assets managed, and 0.43% of net assets managed in excess of \$3 billion. Currently, Domini has contractually agreed to reduce its fee to the extent necessary to keep the annual operating expenses of the Equity Fund (excluding brokerage fees and commissions, interest, taxes, and other extraordinary expenses), net of waivers and reimbursements, at no greater than 1.09%, 0.74%, and 0.80% of the average daily net assets of the Investor, Institutional, and Class Y shares of the Equity Fund, respectively.

For the fiscal years ended July 31, 2024, 2023, and 2022, the **Equity Fund** incurred \$4,500,628, \$3,930,580, and \$4,625,621, respectively, in sponsorship fees, after waivers.

Under the Administration Agreement between Domini and the Trust on behalf of the Bond Fund, Domini receives fees for administrative services with respect to the Bond Fund at the rate of 0.25% of the average daily net assets of each class of that Fund. Currently, Domini is reducing its fee to the extent necessary to keep the annual expenses of the Bond Fund (excluding brokerage fees and commissions, interest, taxes, and other extraordinary expenses), net of waivers and expenses, at no greater than 0.87%, 0.57%, and 0.65% of the average daily net assets of the Investor, Institutional, and Class Y shares of the Bond Fund, respectively.

For the fiscal years ended July 31, 2024, 2023, and 2022, the **Bond Fund** paid \$568,475, \$560,570, and \$662,662, respectively, in administration fees, after waivers.

The Sponsorship Agreement with respect to the Equity Fund and the Administration Agreement with respect to the Bond Fund provide that Domini may render administrative services to others. The Sponsorship Agreement and the Administration Agreement also provide that neither Domini nor its personnel shall be liable for any error of judgment or mistake of law or for any act or omission in the oversight, administration, or management of a Fund or the performance of its or their duties under the Sponsorship Agreement or Administration Agreement, as applicable, except for willful misfeasance, bad faith, or gross negligence in the performance of its or their duties or by reason of the reckless disregard of its or their obligations and duties under the Sponsorship Agreement or Administration Agreement, as applicable.

## SHAREHOLDER SERVICE AGENT

Under the Shareholder Services Agreement between Domini and the Trust, Domini receives fees for providing certain shareholder services with respect to the Funds and their shareholders. For these services Domini receives fees from each Fund paid monthly at an annual rate of \$4.00 per active account.

For the fiscal years ended July 31, 2024, 2023, and 2022, the **Equity Fund** paid \$39,764, \$41,682, and \$43,024, respectively, in Shareholder Service Agent fees, after waivers. For the fiscal years ended July 31, 2024, 2023, and 2022, Domini did not waive any Shareholder Service Agent fees.

For the fiscal years ended July 31, 2024, 2023, and 2022, the **International Opportunities Fund** paid \$880, \$802, and \$688, respectively, in Shareholder Service Agent fees, after waivers. For the fiscal year ended July 31, 2024, 2023, and 2022, Domini did not waive any Shareholder Service Agent fees.

For the fiscal years ended July 31, 2024, 2023, and 2022, the **Sustainable Solutions Fund** paid \$2,894, \$2,845, and \$2,550, in Shareholder Service Agent fees, after waivers. For the fiscal year ended July 31, 2023, 2022 and 2021, Domini did not waive any Shareholder Service Agent fees.

For the fiscal years ended July 31, 2024, 2023, and 2022, the **International Equity Fund** paid \$16,086, \$17,291, and \$19,112, respectively in Shareholder Service Agent fees, after waivers. For the fiscal years ended July 31, 2024, 2023, and 2022, Domini did not waive any Shareholder Service Agent fees.

For the fiscal years ended July 31, 2024, 2023, and 2022, the **Bond Fund** paid \$9,485, \$9,804, and \$10,283, respectively, in Shareholder Service Agent fees, after waivers. For the fiscal years ended July 31, 2024, 2023, and 2022, Domini waived Shareholder Service Agent fees totaling \$147, \$146, and \$145.

## DISTRIBUTOR

Each Fund has adopted a Distribution Plan with respect to its Investor shares. The Distribution Plan provides that Investor shares of a Fund may pay the Distributor a fee not to exceed 0.25% per annum of the average daily net assets of that class as compensation for distribution services provided by the Distributor in connection with the sale of these shares, not as reimbursement for specific expenses incurred. Thus, even if the Distributor's expenses exceed the fees provided for by the Distribution Plan, the Funds will not be obligated to pay more than those fees, and, if the Distributor's expenses are less than the fees paid to it, it will realize a profit. The Distributor may use such fees to pay broker-dealers, financial institutions, or other financial intermediaries as compensation in connection with the purchase, sale, or retention of Investor shares of the Funds, the advertising expenses and the expenses of printing and distributing prospectuses and reports used for sales purposes, the expenses of preparing and printing sales literature, and other distribution-related expenses.

For the fiscal years ended July 31, 2024, 2023, and 2022, Investor shares of the Equity Fund accrued \$2,101,454, \$1,844,682, and \$2,171,763, respectively, in distribution fees.

For the fiscal year ended July 31, 2024, 2023, and 2022, Investor shares of the International Opportunities Fund accrued \$9,091, \$6,781, and \$6,558 in distribution fees.

For the fiscal years ended July 31, 2024, 2023, and 2022, Investor shares of the Sustainable Solutions Fund accrued \$46,638, \$40,357, and \$44,252, respectively, in distribution fees.

For the fiscal years ended July 31, 2024, 2023, and 2022, Investor shares of the International Equity Fund, accrued \$425,501, \$438,924, and \$640,473, respectively, in distribution fees.

For the fiscal years ended July 31, 2024, 2023, and 2022, Investor shares of the Bond Fund accrued \$279,976, \$300,334, and \$361,846, respectively, in distribution fees.

For the fiscal year ended July 31, 2024, payments made by Investor shares of the Equity Fund pursuant to the Distribution Plan were used for advertising \$192,257, printing and mailing of prospectuses to other than current shareholders \$43,282, compensation to dealers \$725,227, communications and servicing \$198,956, compensation of employees and related overhead expenses \$941,732, and payments to the underwriter \$0. The Distributor waived fees totaling \$0.

For the fiscal year ended July 31, 2024, payments made by Investor shares of the International Opportunities Fund were used for payments to the underwriter \$9,091. The Distributor waived fees totaling \$9,091.

For the fiscal year ended July 31, 2024, payments made by Investor shares of the Sustainable Solutions Fund pursuant to the Distribution Plan were used for payments to the underwriter \$46,638. The Distributor waived fees totaling \$46,638.

For the fiscal year ended July 31, 2024, payments made by Investor shares of the International Equity Fund, pursuant to the Distribution Plan were used for advertising \$1,915, printing and mailing of prospectuses to other than current shareholders \$6,312, compensation to dealers \$378,243, and communications and servicing \$39,031. The Distributor waived fees totaling \$0.

For the fiscal year ended July 31, 2024, payments made by Investor shares of the Bond Fund pursuant to the Distribution Plan were used for advertising \$5,223, printing and mailing of prospectuses to other than current shareholders \$1,606, compensation to dealers

\$120,792, communication and servicing \$10,668, and payments to the underwriter \$141,687. The Distributor waived fees totaling \$131,135.

The Distribution Plan will continue in effect indefinitely as to a class if such continuance is specifically approved at least annually by a vote of both a majority of that Fund's Trustees and a majority of the Trust's Trustees who are not "interested persons of the Fund" and who have no direct or indirect financial interest in the operation of the Distribution Plan or in any agreement related to such Plan ("Independent Trustees"). The Distributor will provide to the Trustees of each Fund a quarterly written report of amounts expended by the applicable class under the Distribution Plan and the purposes for which such expenditures were made. The Distribution Plan further provides that the selection and nomination of the Trust's Independent Trustees shall be committed to the discretion of the Independent Trustees of the Trust. The Distribution Plan may be terminated as to a class at any time by a vote of a majority of the Trust's Independent Trustees or by a vote of the shareholders of that class. The Distribution Plan may not be materially amended with respect to a class without a vote of the majority of both the Trust's Trustees and Independent Trustees. The Distributor will preserve copies of any plan, agreement, or report made pursuant to the Distribution Plan for a period of not less than six (6) years from the date of the Distribution Plan, and for the first two (2) years the Distributor will preserve such copies in an easily accessible place.

Each Fund has entered into a Distribution Agreement with the Distributor. Under the Distribution Agreement, the Distributor acts as the agent of each Fund in connection with the offering of shares of that Fund and is obligated to use its best efforts to find purchasers for shares of the Fund. The Distributor acts as the principal underwriter of shares of each Fund and bears the compensation of personnel necessary to provide such services and all costs of travel, office expenses (including rent and overhead), and equipment.

### **TRANSFER AGENT, CUSTODIAN, AND SERVICE ORGANIZATIONS**

The Trust has entered into a Master Services Agreement with Ultimus Fund Solutions, LLC ("Ultimus" or the "Transfer Agent"), of 225 Pictoria Drive, Suite 450, Cincinnati, OH 45246, pursuant to which Ultimus acts as the transfer agent and provides shareholder servicing for each Fund. The Transfer Agent maintains an account for each shareholder of the Funds, performs other transfer agency functions, and acts as dividend disbursing agent for the Funds. At its discretion, Ultimus may agree to waive a portion of its fee.

Each Fund has entered into a Custodian Agreement with State Street Bank and Trust Company ("State Street" or the "Custodian"), One Congress Street, Suite 1, Boston, MA 02114, pursuant to which State Street acts as custodian for each Fund. At its discretion, State Street may agree to waive a portion of its fee.

The Custodian's responsibilities include safeguarding and controlling each Fund's cash and securities, handling the receipt and delivery of securities, determining income and collecting interest on each Fund's investments, maintaining books of original entry for portfolio and Fund accounting and other required books and accounts, and calculating the daily net asset value of shares of each Fund. Securities held by each Fund may be deposited into certain securities depositories. The Custodian does not determine the investment policies of the Funds or decide which securities the Funds will buy or sell. The Funds may, however, invest in securities of the Custodian and may deal with the Custodian as principal in securities transactions.

Each Fund, the distributor and/or its affiliates, may from time to time enter into agreements with various banks, trust companies, broker-dealers (other than the Distributor), or other financial organizations (collectively, "Service Organizations") to provide shareholder servicing for that Fund, such as responding to customer inquiries and providing information on their investments. Each Fund, its distributor, and/or its affiliates may pay fees to Service Organizations (which may vary depending upon the services provided) in amounts up to an annual rate of 0.25% of the daily net asset value of the shares of that Fund owned by shareholders with whom the Service Organization has a servicing relationship.

In addition, each Fund, the Fund's distributor, and/or its affiliates, may from time to time enter into agreements with Service Organizations to provide subtransfer agency, subaccounting, or administrative services for that Fund, such as providing omnibus account or transaction processing services and maintaining shareholder accounts and transaction records. Because omnibus trading offers economies for the Funds, each Fund may reimburse Service Organizations for their costs related to servicing shareholder accounts. These fees may be based upon the number or value of client positions, the levels of service provided, or be a flat fee per year per client. Not all intermediaries receive such additional compensation and the amount of compensation varies.

For the fiscal years ended July 31, 2024, 2023, and 2022, Investor shares of the Equity Fund accrued \$232,724, \$96,533, and \$360,821, respectively, in Service Organization fees. For the fiscal years ended July 31, 2024, 2023, and 2022, the Institutional shares of the Equity Fund accrued \$5,481, \$4,352, and \$3,953, respectively in Service Organization fees. For the fiscal years ended July 31, 2024, 2023, and 2022, Class Y shares of the Equity Fund accrued \$14,373, \$15,369, and \$6,667, respectively, in Service Organization fees.

For the fiscal years ended July 31, 2024, 2023, and 2022, and the fiscal period November 30, 2020 (commencement of operations) through July 31, 2021, Investor shares of the International Opportunities Fund accrued \$6,472, \$6,482, and \$3,133, respectively, in



Service Organization fees. For the fiscal years ended July 31, 2024, 2023, and 2022, Institutional shares of the International Opportunities Fund accrued \$0, 15, and \$0, respectively, in Service Organization fees.

For the fiscal years ended July 31, 2024, 2023, and 2022, Investor shares of the Sustainable Solutions Fund accrued \$7,538, \$6,986, and \$5,350, respectively, in Service Organization fees. For the fiscal years ended July 31, 2024, 2023, and 2022, Institutional shares of the Sustainable Solutions Fund accrued \$0, \$0, and \$0, respectively, in Service Organization fees.

For the fiscal years ended July 31, 2024, 2023, and 2022, Investor shares of the International Equity Fund accrued \$46,908, \$121,263, and \$277,493, respectively, in Service Organization fees. For the fiscal years ended July 31, 2024, 2023, and 2022, the Institutional shares of the International Equity Fund accrued \$379, \$119, and \$189, respectively, in Service Organization fees. For the fiscal years ended July 31, 2024, 2023, and 2022, Class Y shares of the International Equity Fund accrued \$138,155, \$110,073, and \$315,553, respectively, in Service Organization fees.

For the fiscal years ended July 31, 2024, 2023, and 2022, Investor shares of the Bond Fund accrued \$68,662, \$72,908, and \$93,122, respectively, in Service Organization fees. For the fiscal years ended July 31, 2024, 2023, and 2022, Institutional shares of the Bond Fund accrued \$0, \$318, and \$0, respectively, in Service Organization Fees. For the fiscal year ended July 31, 2024, 2023, and 2022, Class Y Shares of the Bond Fund accrued \$23,723, \$17,702, and \$16,009, in Service Organization Fees.

## **EXPENSES**

The Funds are each responsible for all of their respective expenses, including the compensation of their respective Trustees who are not interested persons of a Fund; governmental fees; interest charges; taxes; membership dues in the Investment Company Institute allocable to a Fund; fees and expenses of independent registered public accounting firms, of legal counsel, and of any transfer agent, custodian, registrar, or dividend disbursing agent of a Fund; insurance premiums; and expenses of calculating the net asset value of the shares of the Funds.

Each Fund will also pay sponsorship or administrative fees payable to Domini and all expenses of distributing and redeeming shares and servicing shareholder accounts; expenses of preparing, printing, and mailing prospectuses, reports, notices, proxy statements, and reports to shareholders and to governmental offices and commissions; expenses of shareholder meetings; and expenses relating to the issuance, registration, and qualification of shares of the Fund, and the preparation, printing, and mailing of prospectuses for such purposes.

Each Fund will pay the expenses connected with the execution, recording, and settlement of security transactions, and the investment management fees payable to Domini. Each Fund also will pay the fees and expenses of its custodian for all services to the Funds, as applicable, including safekeeping of Funds and securities and maintaining required books and accounts; expenses of preparing and mailing reports to investors and to governmental offices and commissions; and expenses of meetings of investors.

## **CODES OF ETHICS**

The Funds, Domini, SSGA FM, Wellington Management, and the Distributor have each adopted a Code of Ethics (collectively, the “Codes of Ethics”) under Rule 17j-1 under the 1940 Act. The Codes of Ethics permit personnel subject to the Codes to invest in securities, including securities that may be purchased or held by the Funds. The Codes of Ethics can be reviewed and copied at the SEC’s Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-202-551-8090. The Codes of Ethics are available on the EDGAR database on the SEC’s Internet site at [www.sec.gov](http://www.sec.gov), and copies of the Codes of Ethics may be obtained, after paying a duplicating fee, by electronic request at the following email address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov), or by writing the SEC’s Public Reference Section, Washington, DC 20549-1520.

## **5. INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

KPMG LLP, of Two Financial Center, 60 South Street, Boston, Massachusetts, is the independent registered public accounting firm for the Funds.

## **6. TAXATION**

The Taxation summary provided herein is based on the provisions of the Code, applicable U.S. Treasury regulations, administrative pronouncements of the U.S. Internal Revenue Service (“IRS”), and judicial decisions in effect as of the date of this Statement of Additional Information. Those authorities may be changed, possibly retroactively, or may be subject to differing interpretations so as to result in U.S. federal income tax consequences different from those summarized herein. Shareholders and prospective investors should consult their own tax advisors concerning the potential federal, state, local, and foreign tax consequences of an investment in a Fund, with specific reference to their own tax situation.

## TAXATION OF THE FUNDS

### Federal Taxes

Each Fund is treated as a separate entity for U.S. federal income tax purposes under the Code.

Each Fund has elected to be treated and intends to qualify each year as a “regulated investment company” under Subchapter M of the Code. As a regulated investment company, a Fund will not be subject to any federal income or excise taxes on its net investment income and the net realized capital gains that it distributes to shareholders, provided that it meets certain distribution requirements imposed by the Code. If a Fund should fail to qualify for treatment as a regulated investment company in any year, that Fund would incur a regular corporate federal income tax upon its taxable income, and Fund distributions would generally be taxable as ordinary dividend income to shareholders. Under certain circumstances, a Fund may be able to cure a failure to qualify as a regulated investment company, but, in order to do so, the Fund may incur significant Fund-level taxes and may be forced to dispose of certain assets.

The Funds will be subject to a nondeductible 4% U.S. federal excise tax on a portion of their undistributed ordinary income and capital gain net income if they fail to meet certain distribution requirements. The Funds intend to make distributions in such amounts and at such times so as not to be subject to the excise tax.

Capital losses in excess of capital gains (“net capital losses”) are not permitted to be deducted against a regulated investment company’s net investment income. Instead, for U.S. federal income tax purposes, potentially subject to certain limitations, a Fund may carry net capital losses from any taxable year forward indefinitely to offset its capital gains in future years. To the extent subsequent capital gains are offset by such losses, they will not result in U.S. federal income tax liability to the Fund and may not be distributed as capital gains to its shareholders. Generally, a Fund may not carry forward any losses other than net capital losses.

### Foreign Income Taxes

Each Fund may be subject to certain taxes, including, without limitation, taxes imposed by foreign countries with respect to its income and capital gains. If eligible, a Fund may elect, for United States federal income tax purposes, to “pass through” foreign income taxes to its shareholders. The International Opportunities Fund and International Equity Fund expect to qualify for and make this election, but we do not expect the Equity Fund, Sustainable Solutions Fund, or the Bond Fund to be able to pass through to shareholders foreign tax credits or deductions with respect to taxes imposed by foreign countries on those Funds’ income and capital gains. A Fund generally may deduct any foreign taxes that are not passed through to its shareholders in computing its income available for distribution to shareholders to satisfy applicable tax distribution requirements.

For any year that a Fund qualifies for and makes such an election, each shareholder of the Fund will be required to include in his or her income an amount equal to his or her allocable share of such income taxes paid by the Fund to a foreign country’s government, and shareholders of the Fund will be entitled, subject to certain limitations, to credit their portions of these amounts against their United States federal income tax due, if any, or to deduct their portions from their United States taxable income, if any. No deductions for foreign income taxes paid by the Fund may be claimed, however, by noncorporate shareholders (including certain foreign shareholders described below) who do not itemize deductions. In addition, shareholders will not be able to claim a foreign tax credit with respect to taxes paid by the Fund unless certain holding period requirements are met. Shareholders that are exempt from tax under Section 501(a) of the Code, such as pension plans, generally will derive no benefit from this election. No deduction for such amounts will be permitted in computing a noncorporate shareholder’s alternative minimum tax liability.

The United States has entered into tax treaties with many foreign countries that may entitle a Fund to a reduced rate of foreign tax or an exemption from foreign tax on such income; the Funds intend to qualify for treaty reduced rates where available. It is not possible, however, to determine a Fund’s effective rate of foreign tax in advance since the amount of the Funds’ assets to be invested within various countries is not known. Under certain circumstances, if a Fund receives a refund of foreign taxes paid in respect of a prior year, the value of the Fund’s shares could be affected or the foreign tax credits or deductions passed through to shareholders in respect of the Fund’s foreign taxes for the current year could be reduced.

### State Taxes

Each Fund is organized as a series of the Trust, a Massachusetts business trust. As long as a Fund qualifies as a “regulated investment company” under the Code, it will not have to pay Massachusetts income or excise taxes.

## TAXATION OF SHAREHOLDERS

### Taxation of Distributions

Shareholders of each Fund normally will have to pay federal income taxes on the dividends and other distributions they receive from the Fund, whether the distributions are paid in cash or reinvested in additional shares. Dividends from ordinary income and any distributions from net short-term capital gains are generally taxable to shareholders as ordinary income for federal income tax purposes. Distributions of net capital gains (i.e., the excess of net long-term capital gains over net short-term capital losses) are taxable to shareholders as long-term capital gains for federal income tax purposes without regard to the length of time the shareholders have held their shares. Distributions of ordinary dividends to a Fund's noncorporate shareholders may be treated as "qualified dividend income," which is taxed at reduced rates, to the extent such distributions are derived from, and reported by a Fund as, "qualified dividend income," and provided that the recipient shareholder satisfies certain holding period requirements and refrains from making certain elections. If 95% or more of a Fund's gross income, calculated without taking into account net capital gains, represents "qualified dividend income," the Fund may report, and the Fund's noncorporate shareholders may then treat, all such income as "qualified dividend income," provided that the recipient shareholder satisfies certain holding period requirements and refrains from making certain elections. "Qualified dividend income" generally is income derived from dividends from U.S. corporations or from "qualified foreign corporations," which are corporations that are either incorporated in a U.S. possession or eligible for benefits under certain U.S. tax treaties. Distributions from a foreign corporation that is not a "qualified foreign corporation" may nevertheless be treated as distributions paid by a "qualified foreign corporation" if the applicable stock is readily tradable on an established U.S. securities market. "Passive foreign investment companies" are not "qualified foreign corporations." The Bond Fund does not expect any material portion of its distributions to be treated as qualified dividend income.

A 3.8% Medicare contribution tax generally applies to all or a portion of the net investment income of a shareholder who is an individual and not a nonresident alien for federal income tax purposes and who has adjusted gross income (subject to certain adjustments) that exceeds a threshold amount (\$250,000 if married filing jointly or if considered a "surviving spouse" for federal income tax purposes, \$125,000 if married filing separately, and \$200,000 in other cases). This 3.8% tax also applies to all or a portion of the undistributed net investment income of certain shareholders that are estates and trusts. For these purposes, dividends, interest, and certain capital gains are generally taken into account in computing a shareholder's net investment income.

Certain tax-exempt educational institutions will be subject to a 1.4% tax on net investment income. For these purposes, certain dividends and capital gain distributions, and certain gains from the disposition of Fund shares (among other categories of income), are generally taken into account in computing a shareholder's net investment income.

Under Section 163(j) of the Code, a taxpayer's business interest expense is generally deductible to the extent of its business interest income plus certain other amounts. If a Fund earns business interest income, it may report a portion of its dividends as "Section 163(j) interest dividends," which its shareholders may be able to treat as business interest income for purposes of Section 163(j) of the Code. A Fund's "Section 163(j) interest dividend" for a tax year will be limited to the excess of its business interest income over the sum of its business interest expense and other deductions properly allocable to its business interest income. In general, a Fund's shareholders may treat a distribution reported as a Section 163(j) interest dividend as interest income only to the extent the distribution exceeds the sum of the portions of the distribution reported as other types of tax-favored income. To be eligible to treat a Section 163(j) interest dividend as interest income, a shareholder may need to meet certain holding period requirements in respect of the shares and must not have hedged its position in the shares in certain ways.

Distributions by a Fund in excess of the Fund's current and accumulated earnings and profits will be treated as a return of capital to the extent of (and in reduction of) the shareholder's tax basis in its shares and any such amount in excess of that basis will be treated as gain from the sale of shares.

Any Fund dividend that is declared in October, November, or December of any calendar year, that is payable to shareholders of record in such a month, and that is paid the following January will be treated as if received by the shareholders on December 31 of the year in which the dividend is declared.

### Dividends-Received Deduction

If a Fund invests in equity securities of U.S. corporations, a portion of the Fund's ordinary income dividends may be eligible for the dividends-received deduction for corporations if the recipient otherwise qualifies for that deduction with respect to its holding of Fund shares. Availability of the deduction for a particular corporate shareholder is subject to certain limitations. Since the investment income of the Bond Fund is generally derived from interest rather than dividends, no material portion of the dividends received from this Fund is expected to be eligible for the dividends-received deduction. The portion of any Fund's dividends that is derived from investments in foreign corporations will not qualify for such deduction.

## “Buying a Dividend”

Any Fund distribution will have the effect of reducing the per share net asset value of shares in the Fund by the amount of the distribution. Shareholders purchasing shares shortly before or on the record date of any distribution may thus pay the full price for the shares and then effectively receive a portion of the purchase price back as a taxable distribution.

## Disposition of Shares

In general, any gain or loss realized upon a taxable disposition of shares of a Fund by a shareholder that holds such shares as a capital asset will be treated as long-term capital gain or loss if the shares have been held for more than 12 months and otherwise as a short-term capital gain or loss. However, any loss realized by a shareholder upon a disposition of shares in a Fund held for 6 months or less will be treated as a long-term capital loss to the extent of any amounts treated as distributions by the Fund to the shareholder of long term capital gains. Any loss realized upon a disposition of shares may be disallowed if substantially identical shares are acquired (whether through the reinvestment of dividends or otherwise) within a 61 day period beginning 30 days before and ending 30 days after the date that the shares are disposed of.

A Fund will report to the IRS the amount of sale proceeds that a shareholder receives from a sale or exchange of Fund shares. For sales or exchanges of shares acquired on or after January 1, 2012, a Fund will also report the shareholder's basis in those shares and whether any gain or loss that the shareholder realizes on the sale or exchange is short-term or long-term gain or loss. For purposes of calculating and reporting basis, shares of a Fund acquired prior to January 1, 2012, and shares of that same Fund acquired on or after January 1, 2012, will generally be treated as held in separate accounts. If a shareholder has different bases for different shares of a particular Fund, acquired on or after January 1, 2012, in the same account (e.g., if a shareholder purchased Fund shares in the same account at different times for different prices), the Fund will calculate the basis of each share sold using a default method unless the shareholder has properly elected to use a different method. The Funds' default method for calculating basis will be the average basis method, under which the basis per share is reported as the average of the bases of all of the shareholder's Fund shares in the account. A shareholder may elect, on an account-by-account basis, to use a method other than average basis by following procedures established by the Funds. If such an election is made on or prior to the date of the first exchange or redemption of shares in the account, the new election will generally apply as if the average basis method had never been in effect for such account. If such an election is not made on or prior to such date, the shares in the account at the time of the election will retain their averaged bases. Shareholders should consult their tax advisers concerning the tax consequences of applying the average basis method or electing another method of basis calculation.

## Taxation of Non-U.S. Shareholders

Dividends and certain other payments (but not including distributions of net capital gains, “short-term capital gain dividends” and “interest-related dividends” (described below)) to persons who are neither citizens nor residents of the United States or U.S. entities (“Non-U.S. Persons”) are generally subject to U.S. tax withholding at the rate of 30%. Each Fund intends to withhold at the 30% rate on taxable dividends and other payments to Non-U.S. Persons to the extent that such dividends and payments are subject to such withholding. A Fund may withhold at a lower rate permitted by an applicable treaty if the shareholder provides the documentation required by the Fund.

Dividends reported by a Fund as (i) interest-related dividends, to the extent such dividends are derived from the Fund's “qualified net interest income,” or (ii) short-term capital gain dividends, to the extent such dividends are derived from the Fund's “qualified short-term gain,” are generally exempt from this 30% withholding tax. “Qualified net interest income” is a Fund's net income derived from U.S.-source interest and original issue discount, subject to certain exceptions and limitations. “Qualified short-term gain” generally means the excess of a Fund's net short-term capital gain for the taxable year over its net long-term capital loss, if any. In the case of Fund shares held through an intermediary, the intermediary may withhold even if a Fund reports the payment as an interest-related dividend or as a short-term capital gain dividend. Non-U.S. Persons should contact their intermediaries with respect to the application of these rules to their accounts.

Unless certain non-U.S. entities that hold Fund shares comply with IRS requirements that will generally require them to report information regarding U.S. persons investing in, or holding accounts with, such entities, a 30% withholding tax will apply to Fund distributions payable to such entities. A non-U.S. shareholder may be exempt from the withholding described in this paragraph under an applicable intergovernmental agreement between the U.S. and a foreign government, provided that the shareholder and the applicable foreign government comply with the terms of such agreement.

## Backup Withholding

Each Fund is required in certain circumstances to apply backup withholding on reportable payments, including ordinary dividends, capital gain dividends, redemption proceeds, and certain other payments that are paid to any noncorporate shareholder (including a

Non-U.S. Person) who does not furnish to the Fund certain information and certifications or who is otherwise subject to backup withholding. The backup withholding rate is currently 24%. Backup withholding will not, however, be applied to payments that are (or would be, but for the application of a treaty) subject to the 30% withholding tax on shareholders who are Non-U.S. Persons. Any amounts overwithheld may be recovered by such persons by filing a claim for refund with the IRS within the time period appropriate to such claims.

## EFFECTS OF CERTAIN INVESTMENTS AND TRANSACTIONS

### Certain Debt Instruments

An investment by a Fund in zero coupon bonds, deferred interest bonds, payment-in-kind bonds, certain stripped securities, and certain securities purchased at a market discount will cause the Fund to recognize income prior to the receipt of cash payments with respect to those securities. In order to distribute this income and avoid a tax on the Fund, the Fund may be required to liquidate portfolio securities that it might otherwise have continued to hold, potentially resulting in additional taxable gain or loss to the Fund.

### Options, etc.

A Fund's transactions in options, futures contracts, forward contracts, swaps, and related transactions will be subject to special tax rules that may affect the amount, timing, and character of Fund income and distributions to shareholders. For example, certain positions held by a Fund on the last business day of each taxable year will be marked to market (i.e., treated as if closed out) on that day, and any gain or loss associated with the positions will be treated as 60% long-term and 40% short-term capital gain or loss. Certain positions held by a Fund that substantially diminish its risk of loss with respect to other positions in its portfolio may constitute "straddles," and may be subject to special tax rules that would cause deferral of Fund losses, adjustments in the holding periods of Fund securities, and conversion of short-term into long-term capital losses. Certain tax elections exist for straddles that may alter the effects of these rules. Each Fund intends to limit its activities in options, futures contracts, forward contracts, swaps, and related transactions to the extent necessary to meet the requirements of the Code.

### Foreign Securities

Special tax considerations apply with respect to foreign investments of each Fund. Foreign exchange gains and losses realized by a Fund will generally be treated as ordinary income and losses.

The Stock Funds may make equity investments in foreign entities that may be treated as "passive foreign investment companies" (or "PFICs") for U.S. federal income tax purposes. If a Fund does invest in a PFIC, then that Fund may be required to pay additional tax (and interest) in respect of distributions from, and gains attributable to, the sale or other disposition of the stock of, such PFIC. If the Fund is eligible to make and makes either a "qualified electing fund" election or a "mark to market" election with respect to its investment in a PFIC, then that Fund may have taxable income from such investment regardless of whether it receives any actual distributions of cash derived from the PFIC in any given year. In order to enable a Fund to distribute its share of this income and avoid a tax at the Fund level, the Fund may be required to liquidate portfolio securities that it might have otherwise continued to hold, potentially resulting in additional taxable gain or loss. The Funds do not anticipate that the Bond Fund will make equity investments in any foreign entity that is treated as a PFIC for U.S. federal income tax purposes.

If a sufficient portion of the interests in a foreign issuer are held or deemed held by a Fund, independently or together with certain other U.S. persons, that issuer may be treated as a "controlled foreign corporation" (a "CFC") with respect to the Fund, in which case the Fund will be required to take into account each year, as ordinary income, its share of certain portions of that issuer's income, whether or not such amounts are distributed. A Fund may have to dispose of its portfolio securities (potentially resulting in the recognition of taxable gain or loss, and potentially under disadvantageous circumstances) to generate cash, or may have to borrow the cash, to meet its distribution requirements and avoid fund-level taxes. In addition, some gains recognized by a Fund on the disposition of interests in a CFC may be treated as ordinary income. The Funds do not anticipate that the Bond Fund will make equity investments in any foreign entity that is treated as a CFC for U.S. federal income tax purposes.

### Investments in REMICs

Any investment by the Bond Fund in residual interests of a CMO that has elected to be treated as a REMIC can create complex tax problems, especially if the Fund has state or local governments or other tax-exempt organizations as shareholders. Prospective investors that are tax exempt should consult their tax advisers regarding an investment in a Fund.

The foregoing discussion should not be viewed as a comprehensive discussion of the items referred to nor as addressing all tax considerations relevant to investors. Dividends and distributions may also be subject to state, local, or foreign taxes. Each current and

prospective shareholder should consult his or her own tax advisers for additional details regarding potential tax consequences of an investment in a Fund, based on his or her particular tax status.

## **7. PORTFOLIO TRANSACTIONS AND BROKERAGE COMMISSIONS**

Specific decisions to implement the purchase or sale of securities for the Equity Fund, International Opportunities Fund, and Sustainable Solutions Fund, and purchase or sell securities for the International Equity Fund and Bond Fund are made by portfolio managers who are employees of the applicable Subadviser and who are appointed and supervised by its senior officers. The portfolio managers who are employees of a Subadviser of the Funds may serve other clients of a Subadviser in a similar capacity.

The primary consideration in placing securities transactions for the Funds with broker-dealers for execution is to obtain and maintain the availability of execution at the most favorable prices and in the most effective manner possible.

### *Wellington Management*

Wellington Management attempts to achieve this result by selecting broker-dealers to execute transactions on behalf of the Funds and other clients of Wellington on the basis of their professional capability, the value and quality of their brokerage services, and the level of their brokerage commissions in accordance with the Policy and Procedures on Order Execution and Research Services. Wellington Management may also consider social factors, such as whether the brokerage firm is minority-owned, in selecting broker-dealers, subject to Wellington's duty to obtain best execution. In the case of securities traded in the over-the-counter market (where no stated commissions are paid but the prices include a dealer's markup or markdown), Wellington normally seeks to deal directly with the primary market makers, unless in its opinion best execution is available elsewhere. In the case of securities purchased from underwriters, the cost of such securities generally includes a fixed underwriting commission or concession. Most of the Bond Fund's transactions will be on a principal basis.

### *SSGA FM*

Purchases and sales of securities on a securities exchange are affected through brokers who charge a commission for their services. Ordinarily commissions are not charged on over-the-counter orders (e.g., fixed income securities) because the Funds pay a spread which is included in the cost of the security and represents the difference between the dealer's quoted price at which it is willing to sell the security and the dealer's quoted price at which it is willing to buy the security. When a Fund executes an over-the-counter order with an electronic communications network or an alternative trading system, a commission is charged by such electronic communications networks and alternative trading systems as they execute such orders on an agency basis. Securities may be purchased from underwriters at prices that include underwriting fees.

In placing a portfolio transaction, SSGA FM seeks to achieve best execution. SSGA FM's duty to seek best execution requires SSGA FM to take reasonable steps to obtain for the client as favorable an overall result as possible for Fund portfolio transactions under the circumstances, taking into account various factors that are relevant to the particular transaction.

SSGA FM refers to and selects from the list of approved trading counterparties maintained by SSGA FM's Credit Risk Management team. In selecting a trading counterparty for a particular trade, SSGA FM seeks to weigh relevant factors, including, but not limited to the following:

- Prompt and reliable execution;
- The competitiveness of commission rates and spreads, if applicable;
- The financial strength, stability and/or reputation of the trading counterparty;
- The willingness and ability of the executing trading counterparty to execute transactions (and commit capital) of size in liquid and illiquid markets without disrupting the market for the security;
- Local laws, regulations or restrictions;
- The ability of the trading counterparty to maintain confidentiality;
- The availability and capability of execution venues, including electronic communications networks for trading and execution management systems made available to Adviser;
- Market share;
- Liquidity;
- Price;
- Execution related costs;
- History of execution of orders;

- Likelihood of execution and settlement;
- Order size and nature;
- Clearance and settlement capabilities, especially in high volatility market environments;
- Availability of lendable securities;
- Sophistication of the trading counterparty's trading capabilities and infrastructure/facilities;
- The operational efficiency with which transactions are processed and cleared, taking into account the order size and complexity;
- Speed and responsiveness to SSGA FM;
- Access to secondary markets;
- Counterparty exposure; and
- Depending upon the circumstances, SSGA FM may take other relevant factors into account if SSGA FM believes that these are important in taking all sufficient steps to obtain the best possible result for execution of the order.

In selecting a trading counterparty, the price of the transaction and costs related to the execution of the transaction typically merit a high relative importance, depending on the circumstances. SSGA FM does not necessarily select a trading counterparty based upon price and costs but may take other relevant factors into account if it believes that these are important in taking reasonable steps to obtain the best possible result for a Fund under the circumstances. Consequently, SSGA FM may cause a client to pay a trading counterparty more than another trading counterparty might have charged for the same transaction in recognition of the value and quality of the brokerage services provided. The following matters may influence the relative importance that SSGA FM places upon the relevant factors:

- (i) The nature and characteristics of the order or transaction. For example, size of order, market impact of order, limits, or other instructions relating to the order;
- (ii) The characteristics of the financial instrument(s) or other assets which are the subject of that order. For example, whether the order pertains to an equity, fixed income, derivative or convertible instrument;
- (iii) The characteristics of the execution venues to which that order can be directed, if relevant. For example, availability and capabilities of electronic trading systems;
- (iv) Whether the transaction is a 'delivery versus payment' or 'over-the-counter' transaction. The creditworthiness of the trading counterparty, the amount of existing exposure to a trading counterparty and trading counterparty settlement capabilities may be given a higher relative importance in the case of 'over-the-counter' transactions; and/or
- (v) Any other circumstances that SSGA FM believes are relevant at the time.

The process by which trading counterparties are selected to effect transactions is designed to exclude consideration of the sales efforts conducted by broker-dealers in relation to the Funds.

Notwithstanding the above, in compliance with Section 28(e) of the Securities Exchange Act of 1934, a Subadviser may select brokers who charge a commission in excess of that charged by other brokers, if the Subadviser determines in good faith that the commission to be charged is reasonable in relation to the brokerage and research services provided to the Subadviser by such brokers. Research services generally consist of research or statistical reports or oral advice from brokers and dealers regarding particular companies, industries, or general economic conditions. These services may provide both domestic and international perspective. The Manager or Subadviser may also have arrangements with brokers pursuant to which such brokers provide research services to the Manager or Subadviser in exchange for a certain volume of brokerage transactions to be executed by such brokers. Arrangements for the receipt of research services from brokers may create conflicts of interest. While the payment of higher commissions increases a Fund's costs, the Subadviser and Manager do not believe that the receipt of such brokerage and research services significantly reduces its expenses as the Subadviser and Manager, respectively.

Research services furnished by brokers who effect securities transactions for the Funds may be used by the Subadviser or Manager in servicing other investment companies and accounts that it manages. Similarly, research services furnished to a Subadviser or the Manager by brokers who effect securities transactions for other investment companies and accounts that the Subadviser or Manager manage, respectively, may be used by the Subadviser or Manager in servicing the applicable Fund. Not all of these research services are used by a Subadviser or the Manager in managing any particular account, including the Funds.

SSGA FM does not currently use the Funds' assets in connection with third-party soft dollar arrangements. While SSGA FM does not currently use "soft" or commission dollars paid by the Funds for the purchase of third-party research, SSGA FM reserves the right to do so in the future.

The Funds encourage the Subadvisers to use minority- and women-owned brokerage firms to execute the Funds' transactions, subject to the Subadviser's duty to obtain best execution. A Subadviser may choose to direct transactions to minority- and women-owned brokerage firms that will contract for a correspondent broker to execute and clear the trades. While each Subadviser believes that it will obtain best execution in these transactions, the Funds may forego other benefits (like research) that it would have received if such transactions were executed through correspondent brokers directly. The Board of Trustees has determined that these arrangements are appropriate in light of the overall philosophy and goals of the Funds.

For the fiscal years ended July 31, 2024, 2023, and 2022, the Equity Fund paid brokerage commissions of \$16,575, \$18,634, and \$18,667, respectively.

For the fiscal years ended July 31, 2024, 2023, and 2022, the International Opportunities Fund paid brokerage commissions of \$1,683, \$1,644, and \$2,282, respectively.

For the fiscal years ended July 31, 2024, 2023, and 2022, the Sustainable Solutions Fund paid brokerage commissions of \$3,637, \$5,199, and \$5,315, respectively.

For the fiscal years ended July 31, 2024, 2023, and 2022, the International Equity Fund paid brokerage commission of \$441,851, \$603,300, and \$721,490, respectively.

No portfolio transactions may be executed with the Adviser or a Subadviser, or with any affiliate of the Adviser or a Subadviser, acting either as principal or as broker, except as permitted by applicable law.

The Equity Fund, International Opportunities Fund, Sustainable Solutions Fund and International Equity Fund did not pay any brokerage commissions to affiliated brokers during its fiscal years ended July 31, 2024, 2023, and 2022.

For the fiscal years ended July 31, 2024, 2023, and 2022, the Bond Fund paid brokerage commissions of \$0, \$14, and \$0, respectively.

In certain instances there may be securities that are suitable for the Funds as well as for one or more of a Subadviser's or Domini's other clients. Investment decisions for the Funds and for a Subadviser's or Domini's other clients are made with a view to achieving their respective investment objectives. It may develop that a particular security is bought or sold for only one client even though it might be held by, or bought or sold for, other clients. Likewise, a particular security may be bought for one or more clients when one or more clients are selling that same security. Some simultaneous transactions are inevitable when several clients receive investment advice from the same investment adviser, particularly when the same security is suitable for the investment objectives of more than one client. When two or more clients are simultaneously engaged in the purchase or sale of the same security, the securities are allocated among clients in a manner believed to be equitable to each. It is recognized that in some cases this system could have a detrimental effect on the price or volume of the security as far as the Funds are concerned. However, it is believed that the ability of the Funds to participate in volume transactions will produce better executions for the Funds.

## **8. DESCRIPTION OF SHARES, VOTING RIGHTS, AND LIABILITIES**

The Trust is a Massachusetts business trust established under a Declaration of Trust dated as of March 1, 1990. The Trust's Declaration of Trust permits the Trust's Board of Trustees to issue an unlimited number of shares of beneficial interest (par value \$0.00001 per share) in separate series and to divide any such series into classes of shares. Currently the Funds are the only series offered by the Trust. The Equity Fund has three classes of shares: Investor shares, Institutional shares, and Class Y shares (prior to November 30, 2020, Class Y shares of the Equity Fund were known as Class R shares). The Class A shares of the Equity were converted into Investor shares of the Fund as of the close of business on July 26, 2024. The International Opportunities Fund and Sustainable Solutions Fund have two classes of shares: Investor shares and Institutional shares. The International Equity Fund has three classes of shares: Investor shares, Institutional shares and Class Y shares. The Class A shares of the International Equity Fund were converted into Investor shares of the Fund as of the close of business on July 26, 2024. The Bond Fund has four classes of shares: the Investor shares, Institutional shares, Class R shares and Class Y shares. No Class R shares of the Bond Fund are being offered or are outstanding as of the date of this Statement of Additional Information. Each share of each class represents an equal proportionate interest in a series with each other share of that class. Upon liquidation or dissolution of a Fund, the Fund's shareholders are entitled to share pro rata in the Fund's net assets available for distribution to its shareholders. The Trust reserves the right to create and issue additional series and classes of shares, and to redesignate series and classify and reclassify classes, whether or not shares of the series or class are outstanding. The Trust also reserves the right to modify the preferences, voting powers, rights, and privileges of



shares of each class without shareholder approval. Shares of each series participate equally in the earnings, dividends, and distribution of net assets of the particular series upon the liquidation or dissolution (except for any differences among classes of shares of a series).

The assets of the Trust received for the issue or sale of the shares of each series and all income, earnings, profits, and proceeds thereof, subject only to the rights of creditors, are specifically allocated to such series and constitute the underlying assets of such series. The underlying assets of each series are segregated on the books of account, and are to be charged with the liabilities in respect to such series and with such a share of the general liabilities of the Trust. If a series were unable to meet its obligations, the assets of all other series might be available to creditors for that purpose, in which case the assets of such other series could be used to meet liabilities that are not otherwise properly chargeable to them. Expenses with respect to any two or more series are to be allocated in proportion to the asset value of the respective series except where allocations of direct expenses can otherwise be fairly made. The officers of the Trust, subject to the general supervision of the Trustees, have the power to determine which liabilities are allocable to a given series, or which are general or allocable to two or more series. In the event of the dissolution or liquidation of the Trust or any series, the holders of the shares of any series are entitled to receive as a class the value of the underlying assets of such shares available for distribution to shareholders.

The Trustees of the Trust have the authority to designate additional series and classes of shares, to divide any series, and to designate the relative rights and preferences as between the different series and classes of shares. All shares issued and outstanding will be fully paid and nonassessable by the Trust, and redeemable as described in this Statement of Additional Information and in the Prospectus. The Trust may involuntarily redeem shareholder's shares at any time for any reason the Trustees of the Trust deem appropriate, including for the following reasons: (a) in order to eliminate inactive, lost, or very small accounts for administrative efficiencies and cost savings, (b) to protect the tax status of a Fund if necessary, and (c) to eliminate ownership of shares by a particular shareholder when the Trustees determine that the particular shareholder's ownership is not in the best interests of the other shareholders of a Fund.

Each shareholder of a Fund is entitled to one vote for each dollar of net asset value (number of shares owned times net asset value per share) represented by the shareholder's shares in the Fund, on each matter on which the shareholder is entitled to vote. Each fractional dollar amount is entitled to a proportionate fractional vote. Shareholders of the Funds and all other series of the Trust, if any, will generally vote together on all matters except when the Trustees determine that only shareholders of a particular Fund, series, or class are affected by a particular matter or when applicable law requires shareholders to vote separately by Fund or series or class. Except when a larger vote is required by applicable law, a majority of the voting power of the shares voted in person or by proxy on a matter will decide that matter and a plurality of the voting power of the shares voted in person or by proxy will elect a Trustee. Shareholders of the Trust do not have cumulative voting rights, and shareholders owning more than 50% of the outstanding shares of the Trust may elect all of the Trustees of the Trust if they choose to do so, and in such event the other shareholders of the Trust would not be able to elect any Trustee.

The Trust is not required and has no current intention to hold annual meetings of shareholders, but the Trust will hold special meetings of the Trust's or a Fund's shareholders when in the judgment of the Trust's Trustees it is necessary or desirable to submit matters for a shareholder vote. Shareholders have the right to remove one or more Trustees under certain circumstances.

The Trust may, without shareholder approval, change a Fund's form of organization, reorganize any Fund or series, any class, or the Trust as a whole into a newly created entity or a newly created series of an existing entity, or incorporate any Fund, any other series, any class, or the Trust as a whole as a newly created entity. If recommended by the Trustees, the Trust, any Fund, any other series, or any class of the Trust may merge or consolidate or may sell, lease, or exchange all or substantially all of its assets if authorized at any meeting of shareholders by a vote of the majority of the outstanding voting securities (as defined in the 1940 Act) of the Trust voting as a single class or of the affected Fund, series, or class, or by written consent, without a meeting, of the holders of shares representing a majority of the voting power of the outstanding shares of the Trust voting as a single class, or of the affected Fund, series or class. The Trust may be terminated at any time by a vote of the majority of the outstanding voting securities (as defined in the 1940 Act) of the Trust. Any Fund, any other series of the Trust, or any class of any series, may be terminated at any time by a vote of the majority of the outstanding voting securities (as defined in the 1940 Act) of the Fund or that series or class, or by the Trustees by written notice to the shareholders of the Fund or that series or class. If not so terminated, the Trust will continue indefinitely. Except in limited circumstances, the Trustees may, without any shareholder vote, amend or otherwise supplement the Trust's Declaration of Trust.

The Trust's Declaration of Trust provides that, at any meeting of shareholders of the Trust or of any Fund, a Shareholder Servicing Agent may vote any shares as to which such Shareholder Servicing Agent is the agent of record and that are not represented in person or by proxy at the meeting, proportionately in accordance with the votes cast by holders of all shares otherwise represented at the meeting in person or by proxy as to which such Shareholder Servicing Agent is the agent of record. Any shares so voted by a Shareholder Servicing Agent will be deemed represented at the meeting for purposes of quorum requirements.

The Declaration of Trust provides that obligations of the Trust are not binding upon the Trustees individually but only upon the property of the Trust, that the Trustees and officers will not be liable for errors of judgment or mistakes of fact or law, and that the Trust will indemnify its Trustees and officers against liabilities and expenses incurred in connection with litigation in which they may be involved because of their offices with the Trust unless, as to liability to Trust or Fund shareholders, it is finally adjudicated that they engaged in willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved in their offices, or unless

with respect to any other matter it is finally adjudicated that they did not act in good faith in the reasonable belief that their actions were in the best interests of the Trust. In the case of settlement, such indemnification will not be provided unless it has been determined by a court or other body approving the settlement or other disposition, or by a reasonable determination, based upon a review of readily available facts, by vote of a majority of Disinterested Trustees (as defined in the Declaration of Trust) or in a written opinion of independent counsel, that such Trustees or officers have not engaged in willful misfeasance, bad faith, gross negligence, or reckless disregard of their duties.

Under Massachusetts law, shareholders of a Massachusetts business trust may, under certain circumstances, be held personally liable as partners for its obligations and liabilities. However, the Declaration of Trust contains an express disclaimer of shareholder liability for acts or obligations of the Funds and provides for indemnification and reimbursement of expenses out of Fund property for any shareholder held personally liable for the obligations of a Fund. The Declaration of Trust also provides for the maintenance, by or on behalf of the Trust and the Funds, of appropriate insurance (e.g., fidelity bonding and errors and omissions insurance) for the protection of the Funds and their shareholders and the Trust's Trustees, officers, employees, and agents covering possible tort and other liabilities. Thus, the risk of a shareholder incurring financial loss on account of shareholder liability is limited to circumstances in which both inadequate insurance existed and a Fund itself was unable to meet its obligations.

The Trust's Declaration of Trust provides that shareholders may not bring suit on behalf of the Fund without first requesting that the Trustees bring such suit. Such demand should be mailed to the Secretary of the Trust at the Trust's principal office and should set forth in reasonable detail the nature of the proposed suit and the essential facts relied upon by the shareholder to support the allegations made in the demand. A Trustee is not considered to have a personal financial interest in any action or otherwise be disqualified from ruling on a shareholder demand by virtue of the fact that such Trustee receives remuneration from his or her service as Trustee or as a trustee of funds with the same or an affiliated investment adviser or distributor, or by virtue of the amount of such remuneration.

The Trust's Declaration of Trust provides that by becoming a shareholder of a Fund, each shareholder shall be expressly held to have assented to and agreed to be bound by the provisions of the Declaration.

## **9. FINANCIAL STATEMENTS**

The audited financial statements of the Equity Fund (Statement of Assets and Liabilities at July 31, 2024, Statement of Operations for the year ended July 31, 2024, Statements of Changes in Net Assets for each of the years in the two-year period ended July 31, 2024, Financial Highlights for each of the years or periods in the five-year period ended July 31, 2024, Notes to Financial Statements, and Independent Registered Public Accounting Firm's Report) are hereby incorporated by reference to the Form N-CSR of the Equity Fund, which has been filed with the SEC pursuant to Section 30(b) of the 1940 Act and Rule 30b2-1 thereunder. A copy of the financial statements may be obtained without charge from Domini Impact Investments by calling 1-800-582-6757 or online at [www.domini.com/funddocuments](http://www.domini.com/funddocuments).

The audited financial statements of the International Opportunities Fund (Statement of Assets and Liabilities at July 31, 2024, Statement of Operations for the year ended July 31, 2024, Statement of Changes in Net Assets for each of the years in the two-year period ended July 31, 2024, Financial Highlights for the years ended July 31, 2024, 2023, 2022, and the period from November 30, 2020 (commencement of operations), through July 31, 2021, Notes to Financial Statements, and Independent Registered Public Accounting Firm's Report), are hereby incorporated by reference to the Form N-CSR of the International Opportunities Fund, which has been filed with the SEC pursuant to Section 30(b) of the 1940 Act and Rule 30b2-1 thereunder. A copy of the financial statements may be obtained without charge from Domini Impact Investments by calling 1-800-582-6757 or online at [www.domini.com/funddocuments](http://www.domini.com/funddocuments).

The audited financial statements of the Sustainable Solutions Fund (Statement of Assets and Liabilities at July 31, 2024, Statement of Operations for the year ended July 31, 2024, Statements of Changes in Net Assets for each of the years in the two-year period ended July 31, 2024, Financial Highlights for each of the years ended July 31, 2024, 2023, 2022, and 2021, and the fiscal period from April 1, 2020 (commencement of operations) through July 31, 2020, Notes to Financial Statements, and Independent Registered Public Accounting Firm's Report), are hereby incorporated by reference to the Form N-CSR of the Sustainable Solutions Fund, which has been filed with the SEC pursuant to Section 30(b) of the 1940 Act and Rule 30b2-1 thereunder. A copy of the financial statements may be obtained without charge from Domini Impact Investments by calling 1-800-582-6757 or online at [www.domini.com/funddocuments](http://www.domini.com/funddocuments).

The audited financial statements of the International Equity Fund (Statement of Assets and Liabilities at July 31, 2024, Statement of Operations for the year ended July 31, 2024, Statements of Changes in Net Assets for each of the years in the two-year period ended July 31, 2024, Financial Highlights for each of the years in the five-year period ended July 31, 2024, Notes to Financial Statements, and Independent Registered Public Accounting Firm's Report), are hereby incorporated by reference to the Form N-CSR of the International Equity Fund, which has been filed with the SEC pursuant to Section 30(b) of the 1940 Act and Rule 30b2-1 thereunder.

A copy of the financial statements may be obtained without charge from Domini Impact Investments by calling 1-800-582-6757 or online at [www.domini.com/funddocuments](http://www.domini.com/funddocuments).

The audited financial statements of the Bond Fund (Statement of Assets and Liabilities at July 31, 2024, Statement of Operations for the year ended July 31, 2024, Statements of Changes in Net Assets for each of the years in the two-year period ended July 31, 2024, Financial Highlights for each of the years or periods in the five-year period ended July 31, 2024, Notes to Financial Statements, and Independent Registered Public Accounting Firm's Report) are hereby incorporated by reference to the Form N-CSR of the Bond Fund, which has been filed with the SEC pursuant to Section 30(b) of the 1940 Act and Rule 30b2-1 thereunder. A copy of the financial statements may be obtained without charge from Domini Impact Investments by calling (800) 582-6757 or online at [www.domini.com/funddocuments](http://www.domini.com/funddocuments).

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## APPENDIX A

### RATINGS INFORMATION

The following ratings are opinions of Standard & Poor's Ratings Services, a division of McGraw-Hill Companies, Inc. ("Standard & Poor's"), Moody's Investors Service, Inc. ("Moody's"), or Fitch, Inc. ("Fitch"), not recommendations to buy, sell, or hold an obligation. The ratings below are as described by the rating agencies. While the rating agencies may from time to time revise such ratings, they are under no obligation to do so. No reliance is made upon the credit rating firms as "experts" as that term is defined for securities purposes. Rather, reliance on this information is on the basis that such ratings have become generally accepted in the investment business.

In the case of "split-rated" securities or loans (i.e., securities or loans assigned non-equivalent credit quality ratings, such as Baa by Moody's but BB by S&P or Ba by Moody's and BB by S&P but B by Fitch), the subadviser will determine whether a particular security or loan is considered investment grade or below-investment grade as follows: (a) if all three credit rating agencies have rated a security or loan the median credit rating is used for this determination, and b) if only two credit rating agencies have rated a security, the lower (e.g., most conservative) credit rating is used. If only one credit rating agency has rated a security, the one credit rating available will be used by the subadviser. If a security is not rated by all three credit rating agencies, then an internal credit rating, as determined by the subadviser, may be used. In the case of intermediate ratings, they are included in the category of the primary rating. For example, BBB- and BBB+ are included in BBB and Baa includes Baa1, Baa2 and Baa3.

For certain securities, such as newly-issued bonds, expected credit ratings may be used until actual credit ratings are assigned by the credit rating agencies. In such cases, the securities may be purchased if it is anticipated at the time of purchase that rating agencies will assign ratings that are compliant with the investment guidelines. Should the actual credit rating assigned to a security diverge from the expected rating, the Fund's subadviser will decide whether the Fund should continue to hold or sell the security. If an issue remains unrated by these rating agencies or it is anticipated that it will not be rated, then an internal credit rating, as determined by the subadviser, may be used.

#### Excerpts from Standard & Poor's Description of its Ratings

##### Standard & Poor's Four Highest Long-term Issue Credit Ratings

AAA — An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA — An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.

A — An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

BBB — An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

Plus (+) or Minus (-) — The ratings may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

NR — This indicates that no rating has been requested, that there is insufficient information on which to base a rating, or that Standard & Poor's does not rate a particular obligation as a matter of policy.

##### Standard & Poor's Short-term Issue Credit Ratings

A-1 — A short-term obligation rated "A-1" is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitments is extremely strong.

A-2 — A short-term obligation rated "A-2" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

A-3 — A short-term obligation rated “A—3” exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

B — A short-term obligation rated “B” is regarded as vulnerable and has significant speculative characteristics. The obligor currently has the capacity to meet its financial commitments; however, it faces major ongoing uncertainties which could lead to the obligor’s inadequate capacity to meet its financial commitments on the obligation.

C — A short-term obligation rated “C” is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitments on the obligation.

D — A short-term obligation rated “D” is in payment default. The ‘D’ rating category is used when payments on an obligation are not made on the date due, unless Standard & Poor’s believes that such payments will be made within any stated grace period. The “D” rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action if payments on an obligation are jeopardized.

NR — An issuer designated NR is not rated.

### Standard & Poor’s Municipal Credit Ratings

A Standard & Poor’s municipal note rating reflects Standard & Poor’s opinion about the liquidity factors and market access risks unique to the notes. Notes due in three years or less will likely receive a note rating. Notes with an original maturity of more than three years will most likely receive a long-term debt rating. In determining which type of rating, if any, to assign, Standard & Poor’s analysis will review the following considerations: (1) Amortization schedule—the larger the final maturity relative to other maturities, the more likely it will be treated as a note; and (2) Source of payment—the more dependent the issue is on the market for its refinancing, the more likely it will be treated as a note.

Note rating symbols are as follows:

SP-1 - Strong capacity to pay principal and interest. An issue determined to possess a very strong capacity to pay debt service is given a plus (+) designation.

SP-2 - Satisfactory capacity to pay principal and interest, with some vulnerability to adverse financial and economic changes over the term of the notes.

SP-3 - Speculative capacity to pay principal and interest.

There are three rating categories for short-term municipal obligations that are considered investment grade. These ratings are designated as Municipal Investment Grade (MIG) and are divided into three levels — MIG 1 through MIG 3. In addition, those short-term obligations that are of speculative quality are designated SG, or speculative grade. MIG ratings expire at the maturity of the obligation.

MIG 1. This designation denotes superior quality.

Excellent protection is afforded by established cash flows, highly reliable liquidity support, or demonstrated broad-based access to the market for refinancing.

MIG 2. This designation denotes strong credit quality. Margins of protection are ample although not so large as in the preceding group.

MIG 3. This designation denotes acceptable credit quality. Liquidity and cash flow protection may be narrow and market access for refinancing is likely to be less well established.

SG. This designation denotes speculative-grade quality. Debt instruments in this category may lack sufficient margins of protection.

### Standard & Poor’s Variable Rate Demand Obligations Ratings

In the case of variable rate demand obligations (VRDOs), a two-component rating is assigned; a long or short-term debt rating and a demand obligation rating. The first element represents Moody’s evaluation of the degree of risk associated with

scheduled principal and interest payments. The second element represents Moody's evaluation of the degree of risk associated with the ability to receive purchase price upon demand ("demand feature"), using a variation of the MIG rating scale, the Variable Municipal Investment Grade or VMIG rating.

When either the long- or short-term aspect of a VRDO is not rated, that piece is designated NR, e.g., Aaa/NR or NR/VMIG 1.

VMIG rating expirations are a function of each issue's specific structural or credit features.

VMIG 1. This designation denotes superior credit quality. Excellent protection is afforded by the superior short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price upon demand. Excellent protection is afforded by established cash flows, highly reliable liquidity support, or demonstrated broad-based access to the market for refinancing.

VMIG 2. This designation denotes strong credit quality. Good protection is afforded by the strong short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price upon demand.

VMIG 3. This designation denotes acceptable credit quality. Adequate protection is afforded by the satisfactory short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price upon demand.

SG. This designation denotes speculative-grade credit quality. Demand features rated in this category may be supported by a liquidity provider that does not have an investment grade short-term rating or may lack the structural and/or legal protections necessary to ensure the timely payment of purchase price upon demand.

#### Standard & Poor's Dual Credit Ratings

Dual ratings may be assigned to debt issues that have a put option or demand feature. The first component of the rating addresses the likelihood of repayment of principal and interest as due, and the second component of the rating addresses only the demand feature. The first component of the rating can relate to either a short-term or long-term transaction and accordingly use either short-term or long-term rating symbols. The second component of the rating relates to the put option and is assigned a short-term rating symbol (for example, 'AAA/A-1+' or 'A-1+/A-1'). With U.S. municipal short-term demand debt, the U.S. municipal short-term note rating symbols are used for the first component of the rating (for example, 'SP-1+/A-1+').

#### **Excerpts from Moody's Description of its Ratings**

##### Moody's Four Highest Long-Term Obligation Credit Ratings

Moody's Long-term ratings are assigned to issuers or obligations with an original maturity of one year or more and reflect both on the likelihood of a default on contractually promised payments and the expected financial loss suffered in the event of default.

Aaa — Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.

Aa — Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.

A — Obligations rated A are judged to be upper-medium grade and are subject to low credit risk.

Baa — Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms. By their terms, hybrid securities allow for the omission of scheduled dividends, interest, or principal payments, which can potentially result in impairment if such an omission occurs. Hybrid securities may also be subject to contractually allowable write-downs of principal that could result in

impairment. Together with the hybrid indicator, the long-term obligation rating assigned to a hybrid security is an expression of the relative credit risk associated with that security.

#### Moody's Short-Term Ratings

Moody's short-term ratings are assigned to obligations with an original maturity of thirteen months or less and reflect the likelihood of a default on contractually promised payments. Moody's employs the following designations to indicate the relative repayment ability of related issuers.

P-1 - Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations

P-2 - Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations

P-3 - Issuers (or supporting institutions) rated Prime-3 have an acceptable ability to repay short-term obligations.

NP - Issuers (or supporting institutions) rated Not Prime do not fall within any of the Prime rating categories.

#### **Excerpts from Fitch's Description of its Ratings**

Rated entities in a number of sectors, including financial and non-financial corporations, sovereigns and insurance companies, are generally assigned Issuer Default Ratings (IDRs). IDRs opine on an entity's relative vulnerability to default on financial obligations. The "threshold" default risk addressed by the IDR is generally that of the financial obligations whose non-payment would best reflect the uncured failure of that entity. As such, IDRs also address relative vulnerability to bankruptcy, administrative receivership or similar concepts, although the agency recognizes that issuers may also make pre-emptive and therefore voluntary use of such mechanisms.

In aggregate, IDRs provide an ordinal ranking of issuers based on the agency's view of their relative vulnerability to default, rather than a prediction of a specific percentage likelihood of default. For historical information on the default experience of Fitch-rated issuers, please consult the transition and default performance studies available from the Fitch Ratings website.

#### Fitch's Four Highest Long-Term Obligation Credit Ratings

AAA — Highest credit quality. 'AAA' ratings denote the lowest expectation of credit risk. They are assigned only in case of exceptionally strong capacity for timely payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

AA — Very high credit quality. 'AA' ratings denote a very low expectation of credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

A — High credit quality. 'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

BBB — Good credit quality. 'BBB' ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.

*Note: The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. Such suffixes are not added to the 'AAA' Long-Term IDR category, or to Long-Term IDR categories below 'B'.*

#### Fitch's Short-Term Ratings

A short-term issuer or obligation rating is based in all cases on the short-term vulnerability to default of the rated entity or security stream and relates to the capacity to meet financial obligations in accordance with the documentation governing the relevant obligation. Short-Term Ratings are assigned to obligations whose initial maturity is viewed as "short term" based on market convention. Typically, this means up to 13 months for corporate, sovereign, and structured obligations, and up to 36 months for obligations in U.S. public finance markets.

F1 — Highest short-term credit quality. Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added “+” to denote any exceptionally strong credit feature.

F2 — Good short-term credit quality. Good intrinsic capacity for timely payment of financial commitments.

F3 — Fair short-term credit quality. The capacity for timely payment of financial commitments is adequate; however, near-term adverse changes could result in a reduction to non-investment grade.

B — Speculative short-term credit quality. Minimal capacity for timely payment of financial commitments, plus heightened vulnerability to near-term adverse changes in financial and economic conditions.

C — High short-term default risk. Default is a real possibility.

RD — Restricted default. Indicates an entity that has defaulted on one or more of its financial commitments, although it continues to meet other financial obligations. Typically applicable to entity ratings only.

D — Default. Indicates a broad-based default event for an entity, or the default of a short-term obligation.



## Appendix B

### Proxy Voting Policies and Procedures

#### INTRODUCTION

These Proxy Voting Guidelines and Procedures have been adopted by the Domini Investment Trust on behalf of each of its series (each a Fund and collectively, the “Domini Funds” or the “Funds”) to ensure that all proxies for securities held by the Funds are cast in the best interests of the Domini Funds’ shareholders, to whom the Funds owe a fiduciary duty.

The Board of Trustees (“Board”) of the Domini Funds delegates the responsibility to vote proxies for the Funds to Domini Impact Investments LLC, the Funds’ investment adviser (“Domini” or the “Adviser”), consistent with the Proxy Voting Guidelines and Procedures set forth herein. The Board reviews the Proxy Voting Guidelines and Procedures on an annual basis on behalf of the Funds and receives quarterly reports from Domini regarding the execution of its proxy voting duties. The Board also delegates to Domini the authority to make non-material amendments to the Guidelines and Procedures as necessary, subject to annual ratification.

#### 1. Conflicts of Interest

The Board delegates the responsibility for resolving conflicts of interest that may arise between Domini and the Domini Funds in the execution of the Adviser’s proxy voting duties to the Adviser. Pursuant to the Proxy Voting Procedures, where a significant conflict of interest arises, the Board expects Domini to consult with one or more members of the independent trustees to determine an appropriate course of action (see “Conflicts of Interest” below).

#### 2. Shareblocking and Other Obstacles to Voting

Certain countries impose “shareblocking” restrictions, meaning that a shareholder is prevented from trading shares for a period of time between the date of the deadline for submission of the vote and the annual meeting (these restrictions vary from country to country). The Adviser shall seek to vote shares for every holding in a Domini Fund portfolio. However, the Adviser may forego the opportunity to vote when, in its judgment, shareblocking restrictions could impair the ability to effectively manage a Fund’s portfolio.

In addition, due to particularly onerous procedural impediments in certain countries, the Adviser will not always be assured of the ability to vote Fund shares, and in certain circumstances may choose not to vote where it believes it may not be in a Fund’s best interests to cast a vote. The Adviser may also choose not to vote in certain markets that impose fees for voting proxies of if there is insufficient information available to make an informed voting decision.

A Fund may miss opportunities to vote when companies fail to provide information in a timely manner or when custodial or proxy advisory delays prevent the Adviser from voting Fund shares on time. The Adviser may also miss opportunities to consider certain proxy information when companies or proxy advisory firms fail to provide such information, research or analysis in a timely manner.

#### 3. International

The general principles guiding Domini’s proxy voting practices apply globally and we will seek to apply these Guidelines consistently in all markets unless the application of the Guidelines is inconsistent with corporate governance standards and practices in the foreign market, in which case Domini may refer to the research, analysis and recommendations provided by Glass, Lewis & Co., LLC (“Glass Lewis”) in accordance with its ESG Thematic Policy.<sup>1</sup>

#### 4. Delegation

The Adviser may delegate the responsibility to review proxy proposals and make voting recommendations to a non-affiliated third party vendor, subject to the Adviser’s oversight, analysis, and voting discretion. The Adviser will ensure that any third party voting recommendations followed are consistent with the Guidelines. In all cases, however, the ultimate decisions on how to vote proxies are retained by the Adviser.

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<sup>1</sup> <https://www.glasslewis.com/wp-content/uploads/2024/01/2024-ESG-Thematic-Voting-Policy-Glass-Lewis.pdf>

## Proxy Voting Guidelines

The Proxy Voting Guidelines (“Guidelines”) set forth in Exhibit A summarize the Adviser’s positions on various issues of concern to socially responsible investors and indicate how Fund shares will be voted on each issue. The Guidelines have been developed to ensure consistency with the social and environmental standards applied to Fund portfolios and Domini’s overall stock selection process.

Because the Funds have a fiduciary duty to vote all shares in the best interests of the Funds’ shareholders, Domini will vote proxies after considering shareholders’ financial interests and social objectives. For that reason, there may be instances in which proxies may not be voted in strict adherence to these Guidelines, based on Domini’s review of the merits of the proposal and the performance of the issuer on the topic presented. Domini may, for example, abstain or vote against certain shareholder proposals where we have concerns about the framing of the proposal, including cases where we do not believe the proposal’s request is reasonable, or where we believe the company has sufficiently addressed the core concerns that are raised.

These Guidelines are subject to change without notice.

## Proxy Voting Procedures

Domini, on behalf of its clients (including the Funds) has entered into an agreement with Glass, Lewis & Co., LLC (“Glass Lewis”), an unaffiliated third party proxy advice and administration firm, pursuant to which Glass Lewis votes proxies in accordance with the Guidelines, as described below, and performs various proxy vote related services such as providing vote analysis, processing and recordkeeping functions.

Glass Lewis receives proxy statements and proxy ballots directly or indirectly from various custodians and/or issuers, logs these materials into its database and matches upcoming meetings with Domini client portfolio holdings, which are input into the Glass Lewis proxy voting platform(Viewpoint) in accordance with a Domini holdings data-feed. Through Viewpoint, ballots and proxy materials, research and summaries for all upcoming shareholders’ meetings are available on-line to certain Domini employees and members of the Domini Proxy Voting Team.

Domini retains oversight of the proxy voting function and retains the authority to set voting policies and to vote the proxies of the Domini Funds.<sup>2</sup>

Primary responsibility for the proxy voting function at Domini rests with Domini’s Director of Engagement.

Domini’s primary responsibilities include the following:

1. *Developing the Proxy Voting Guidelines:* The Guidelines, which set voting policies for all securities for which Domini has authority to vote on behalf of the Funds, are reviewed on at least an annual basis, and updated, when necessary, to reflect new issues raised by shareholder activists, regulatory changes and other developments. Domini is also responsible for developing procedures and additional policies, where necessary, to ensure effective implementation of the Guidelines. Domini shall submit the Guidelines to the Board for review at least once per year. The Board has delegated to Domini the authority to make non-material amendments to the Guidelines and Procedures as necessary, subject to annual ratification.
2. *Evaluation of vendors:* To ensure that proxies are being voted in a timely fashion, and in accordance with the Guidelines, Domini will receive and review alerts from Glass Lewis as needed and periodic voting reports from Glass Lewis no less frequently than quarterly. Domini shall present a summary proxy voting report to the Board at least quarterly.
3. *Identify and address conflicts of interest where they arise (See “Conflicts of Interest,” below)*
4. *Voting:* Glass Lewis, at the direction of Domini, automatically votes all proxy matters that are covered by the Guidelines and do not require the particular exercise of discretion or judgment by Domini with respect to the Guidelines. Glass Lewis votes such ballots in accordance with its interpretation of the Guidelines based on Glass Lewis’ research and analysis, subject to Domini’s oversight and review.

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<sup>2</sup> The Board of Trustees (“Board”) of the Domini Funds has delegated the responsibility to vote proxies for the Funds to Domini, the Funds’ investment adviser (“Domini”), and to resolve conflicts of interest that may arise in the execution of the proxy voting function. The Board reviews and adopts the Guidelines and Procedures on an annual basis on behalf of the Funds, and receives quarterly reports from Domini regarding the execution of its proxy voting duties.

Representatives of the Domini Proxy Voting Team periodically review, as Domini determines reasonable, votes cast by Glass Lewis to ensure votes are cast and are in conformity with the Guidelines. At its discretion, Domini may override the Glass Lewis vote up to the “cut off” date for submitting the vote, or applicable meeting date, when possible.

Where the Guidelines are silent on an issue, where there are unique circumstances that require further examination, or where the Guidelines require an analysis by Domini, Glass Lewis will refer these items to Domini to determine how to vote, except as noted below.

With respect to items referred to Domini to determine how to vote, the Domini Proxy Voting Team or its representative considers and votes on such proxy matters. Domini has access to Glass Lewis research and recommendations through Viewpoint which it may take into account in deciding how to vote. Domini may also draw upon a variety of other materials, including, for example, analyses provided by other proxy advisory services, Domini’s independent research, newspaper reports, academic studies, nongovernmental organizations with expertise in the particular issue being voted on, affected stakeholders, and corporate SEC filings, including management’s position on the issue in question. Domini analyzes such issues independently and does not necessarily vote in accordance with Glass Lewis’ recommendations on these issues.

Domini reserves the right to override the Guidelines when such an override is, in Domini’s best judgment, consistent with the best interests of Domini clients.

Glass Lewis shall vote on matters otherwise eligible for referral in accordance with the Glass Lewis ESG Thematic Policy as applicable to the issuer’s home jurisdiction as instructed by Domini.<sup>3</sup>

Domini shall review and update the default voting instructions set forth in the Guidelines as needed, but no less frequently than annually.

5. *Reporting to Clients (where client is a fund, to the Domini Funds Board of Trustees)*: Domini is responsible for ensuring that the following reporting duties are performed: (a) Annual preparation and filing of Form N-PX, containing an annual record of all votes cast for each client. The Form will be posted to Domini’s website and on the SEC’s website at [www.sec.gov](http://www.sec.gov); (b) Availability of Domini’s Web page containing an ongoing record of all votes cast for the Domini Funds each year; (c) Responding to client requests for proxy voting information; (d) Annual review and update of proxy voting information in Form ADV, Part II, the Statement of Additional Information for the Domini Funds and the Funds’ shareholder reports; (e) Communication of material changes to the Policies or Procedures; (f) Ensuring that all new clients receive a copy of the most recent Form ADV, containing a concise summary of Domini’s proxy voting policies and procedures; (g) Quarterly reporting to the Domini Funds’ Board of Trustees on proxy voting activity.
6. *Recordkeeping* — Domini will maintain the following records: (a) the Guidelines and Procedures, as amended from time to time; (b) records of a client’s written request for information on how Domini voted proxies for the client, and any written response to an oral or written client request for such information; (c) any documents prepared or reviewed by Domini that were material to making a voting decision, or that memorialized the basis for that decision, with the exception of Glass Lewis analyses and corporate proxy statements, which are maintained by Glass Lewis as noted below. These records will be maintained in an easily accessible location for at least five years from the end of the fiscal year during which the last entry was made on such record. For the first two years, such records will be stored at the offices of Domini.

Domini relies upon Glass Lewis to maintain the following records on its behalf, and to provide such records to Domini upon request: (a) proxy statements received regarding client securities (Such proxy statements are also available via electronic filings from the SEC’s EDGAR filing system); (b) records of votes cast on behalf of Domini clients (Annual records are maintained at Domini and filed with the SEC; Database of votes cast is maintained by Glass Lewis, and available upon request by Domini); and (c) proxy research and application of custom policy guidelines.

Domini may rely upon the SEC’s EDGAR system to maintain certain records referred to above.

### *Glass Lewis*

Glass Lewis and the clients’ custodian monitor corporate events. Glass Lewis provides analyses of each issue to be voted on, makes recommendations based on the Guidelines, and casts each vote (subject to oversight and override by Domini). Glass Lewis is also responsible for maintaining complete records of all votes cast, including hard copies of all proxies received, preparing voting reports for Domini, and maintaining Domini’s Web page containing an ongoing record of all votes cast for the Domini Funds each year. Glass Lewis also provides consulting services to Domini on the development of proxy voting policies.

<sup>3</sup> Glass Lewis ESG Thematic Policy Guidelines are available at: <https://www.glasslewis.com/wp-content/uploads/2024/01/2024-ESG-Thematic-Voting-Policy-Glass-Lewis.pdf>. Where the foregoing is silent on some voting issue, Glass Lewis Benchmark Policies will be used. These policies are available by market at: <https://www.glasslewis.com/voting-policies-current/>

## *Conflicts of Interest*

Although Domini does not currently manage any pension plans, administer employee benefit plans, or provide brokerage, underwriting, insurance, or banking services, there are occasions where potential conflicts of interest may arise. For example, potential conflicts of interest may present themselves in these circumstances:

- A Domini Fund is included in a 401(k) plan sponsored by a company, or Domini is actively seeking to have one of its Funds included in a 401(k) plan sponsored by a company, and Domini is entitled to vote a proxy issued by the same company.
- A significant vendor, business partner, client or Fund shareholder may have a vested interest in the outcome of a proxy vote.
- A Domini executive or an individual involved in the proxy voting function may have a personal or business relationship with the proponent of a shareholder proposal or an issuer, or may otherwise have a vested interest in the outcome of a proxy vote.

The Guidelines and Procedures are designed to ensure that all proxies are voted in the best interests of all of our clients and Fund shareholders by isolating the proxy voting function from potential conflicts of interest, to the extent possible. Most importantly, the majority of our Guidelines are predetermined, meaning that they outline an issue and determine a specific vote. With few exceptions, these policies are applied as drafted.

In most instances, therefore, votes are cast according to predetermined policies, and potential conflicts of interest cannot influence the outcome of our voting decisions. There are, however, several voting Guidelines that require a case-by-case determination, and other instances where we may vary from our predetermined policies where we believe it is in our clients' and Fund shareholders' best interests to do so.

Any Domini employee involved in a voting decision is directed to identify any conflicts of interest he or she is aware of, including any contacts from outside parties or other members of Domini's staff or management team regarding the proxy issue in question.

If conflicts are identified, and they are of a personal nature, that individual will be asked to remove himself or herself from the decision-making process.

Where a proxy voting decision is decided in-house by Domini, the following additional procedures have been adopted to ensure that conflicts of interest are identified and appropriately addressed:

Domini is a relatively small firm, and it is not possible to completely insulate decision-makers from all potential conflicts of interest relating to Domini's business. If the conflicts are related to Domini's business, therefore, Domini will do the following:

1. Domini will delegate the decision to Glass Lewis to cast the vote in accordance with the Glass Lewis ESG Thematic Policy applicable to the issuer's subject market, after verifying that Glass Lewis does not have a material conflict of interest. Domini will take all necessary steps to insulate Glass Lewis from knowledge of the specific nature of the conflict so as not to influence the voting decision.
2. If Glass Lewis has a conflict as well, where practical, Domini will present the conflict to the client and seek guidance or consent to vote the proxy (where the client is a mutual fund, Domini will seek guidance from the Domini Funds' independent trustees).<sup>4</sup>
3. Where Domini is unable to pursue (a), above, or at the direction of the client, Domini will abstain.
4. Domini will keep records of how the conflict was identified and what resolution was reached. These records will be available for review at the client's request.

\* \* \* \* \*

These Guidelines and Procedures are subject to change without notice. They will be reviewed, and updated where necessary, on at least an annual basis and will be posted to Domini's website at [www.domini.com/proxyvoting](http://www.domini.com/proxyvoting).

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<sup>4</sup> In some cases, disclosure of the specific nature of the conflict may not be possible because disclosure is prohibited by Domini's privacy policy (where, for example, the conflict concerns a client or Fund shareholder) or may not otherwise be in the best interests of a Domini client, disclosure may violate other confidentiality obligations of the firm, or the information to be disclosed may be proprietary and place Domini at a competitive disadvantage. In such cases, we will discuss the situation with the client and seek guidance.

# Exhibit A

## Domini Proxy Voting Guidelines\* As of November 30, 2024

Topic	Domini's Voting Instruction
Board of Directors	
Uncontested Election of Directors	
Board Accountability	Votes on individual director nominees are made on a <b>case-by-case</b> basis.
Problematic Takeover Defenses	Vote <b>against/withhold</b> from the entire board (except as specified below or for new nominees, who should be considered on a case-by-case basis) for the following:
Classified Board Structure	The board is classified, and a continuing director responsible for a problematic governance issue at the board/committee level that would warrant an against/withhold recommendation is not up for election. All appropriate nominees (except new) may be held accountable.
Removal of Shareholder Discretion on Classified Boards	Vote <b>against</b> if the company has opted into, or failed to opt out of, state laws requiring a classified board structure.
Director Performance Evaluation	Vote on a <b>case-by-case</b> basis if the board lacks mechanisms to promote accountability and oversight, coupled with sustained poor performance relative to peers. Sustained poor performance is measured by one, three, and five year total shareholder returns in the bottom half of a company's four-digit GICS industry group (Russell 3000 companies only). Take into consideration the company's five-year total shareholder return and five-year operational metrics.
Poison Pills	<p>Generally vote <b>against or withhold</b> from all nominees (except new nominees, who should be considered case-by-case) if:</p> <ul style="list-style-type: none"> <li>- The company has a poison pill with a deadhand or slowhand feature.</li> <li>- The board makes a material adverse modification to an existing pill, including, but not limited to, extension, renewal, or lowering the trigger, without shareholder approval.</li> <li>- The company has a long-term poison pill (with a term of over one year) that was not approved by the public shareholders<sup>1</sup>.</li> </ul> <p>Vote <b>case-by-case</b> on nominees if the board adopts an initial short-term pill (with a term of one year or less), without shareholder approval, taking into consideration:</p>

<sup>1</sup> Public shareholders only, approval prior to a company's becoming public is insufficient.

<b>Board Accountability (cont'd)</b>	<ul style="list-style-type: none"> <li>- The disclosed rationale for the adoption;</li> <li>- The ownership trigger;</li> <li>- The company's market capitalization (including absolute level and sudden changes);</li> <li>- a commitment to put any renewal to a shareholder vote, and</li> <li>- other factors as relevant.</li> </ul>
	<p><b>Problematic Audit Related Practices</b></p> <p>Vote <b>against/withhold</b> from Audit Committee members if:</p> <ul style="list-style-type: none"> <li>- The non-audit fees paid to the auditor are excessive (defined as more than 50 percent of total audit fees);</li> <li>- The company receives an adverse opinion on the company's financial statements from the auditor;</li> <li>- There is pervasive evidence that the company entered into an inappropriate indemnification agreement with its auditor that limits the ability of the company, or its shareholders, to pursue legitimate legal recourse against the audit firm.</li> </ul> <p>Vote <b>case-by-case</b> on members of the Audit Committee and/or the full board if poor accounting practices are identified that rise to a level of serious concern, such as; fraud, misapplication of GAAP, and material weaknesses identified in Section 404 disclosures.</p>
	<p><b>Problematic Compensation Practices</b></p> <p>In the absence of an Advisory Vote on Executive Compensation ballot item, or, in egregious situations, vote <b>against/withhold</b> from the Compensation Committee and potentially the full board if:</p> <ul style="list-style-type: none"> <li>- There is a significant misalignment between CEO pay and company performance.</li> <li>- The company has problematic pay practices including options backdating, excessive perks and overly generous employment contracts etc.</li> <li>- The board exhibits a significant level of poor communication and responsiveness to shareholders</li> <li>- The company reprices underwater options for stock, cash, or other consideration</li> <li>- The company fails to include a Say on Pay ballot item when required under SEC provisions, or under the company's declared frequency of say on pay; or</li> <li>- The company fails to include a Frequency of Say on Pay ballot item when required under SEC provisions.</li> </ul> <p>Generally vote <b>against</b> members of the board committee responsible for approving/setting non-employee director compensation if there is a pattern (i.e., two or more years) of awarding excessive non-employee director compensation without disclosing a compelling rationale or other mitigating factors.</p>

<b>Board Accountability (cont'd)</b>	<p><b>Problematic Pledging of Company Stock</b> Vote <b>against</b> the members of the committee that oversees risks related to pledging, or the full board, where a significant level of pledged company stock by executives or directors raises concerns. The following factors will be considered:</p> <ul style="list-style-type: none"> <li>- The presence of an anti-pledging policy, disclosed in the proxy statement, that prohibits future pledging activity;</li> <li>- The magnitude of aggregate pledged shares in terms of total common shares outstanding, market value, and trading volume;</li> <li>- Disclosure of progress or lack thereof in reducing the magnitude of aggregate pledged shares over time;</li> <li>- Disclosure in the proxy statement that shares subject to stock ownership and holding requirements do not include pledged company stock; and</li> <li>- Any other relevant factors.</li> </ul>
	<p><b>Material Environmental, Social and Governance (ESG) Failures</b> Vote on a <b>case-by-case</b> basis regarding the following; under extraordinary circumstances, vote <b>against/withhold</b> from directors individually, committee members, or potentially the entire board due to:</p> <ul style="list-style-type: none"> <li>- A lack of sustainability reporting in the company's public documents and/or website in conjunction with a failure to adequately manage or mitigate environmental, social and governance (ESG) risks.</li> <li>- Material failures of governance, stewardship, risk oversight, or fiduciary responsibilities at the company, including failure to adequately guard against or manage ESG risks, with particular attention to sustainability crisis management.</li> <li>- Failure to replace management as appropriate</li> <li>- Egregious actions related to the director(s)' service on other boards that raise substantial doubt about his or her ability to effectively oversee management and serve the best interests of shareholders at any company.</li> </ul> <p>* Examples of failure of risk oversight include but are not limited to: bribery; large or serial fines or sanctions from regulatory bodies; demonstrably poor risk oversight of environmental and social issues, including climate change; significant environmental incidents including spills and pollution; large scale or recurring workplace fatalities, injuries health and safety or discrimination incidents; significant adverse legal judgments or settlements; or hedging of company stock.</p>

<b>Board Accountability (cont'd)</b>	<b>Climate Risk Mitigation and Net Zero.</b>  <p>For companies that are significant GHG emitters, 2 through its operations or value chain, <b>generally vote against or withhold</b> from the incumbent chair of the responsible committee (or other directors on a case-by-case basis) in cases where Glass Lewis determines that the company is not taking the minimum steps needed to be aligned with a Net Zero by 2050 trajectory.</p> <p>Minimum steps needed to be considered to be aligned with a Net Zero by 2050 trajectory are (all minimum criteria will be required to be in alignment with policy):</p> <ul style="list-style-type: none"> <li>▪ The company has detailed disclosure of climate-related risks, such as according to the framework established by the Task Force on Climate related Financial Disclosures (TCFD), including:</li> <li>▪ Board governance measures;</li> <li>▪ Corporate strategy;</li> <li>▪ Risk management analyses; and</li> <li>▪ Metrics and targets.</li> <li>▪ The company has declared a Net Zero target by 2050 or sooner and the target includes scope 1, 2, and relevant scope 3 emissions.</li> <li>▪ The company has set a medium-term target for reducing its GHG emissions.</li> </ul> <p>Expectations about what constitutes “minimum steps needed to be aligned with a Net Zero by 2050 trajectory” will increase over time.</p>
	<b>Unilateral Bylaw/Charter Amendments</b>  <p>Generally vote <b>against or withhold</b> from directors individually, committee members, or the entire board (except new nominees, who should be considered case-by-case) if the board amends the company’s bylaws or charter without shareholder approval in a manner that materially diminishes shareholders’ rights or that could adversely impact shareholders, considering the following factors:</p> <ul style="list-style-type: none"> <li>- The board’s rationale for adopting the bylaw/charter amendment without shareholder ratification</li> <li>- Disclosure by the company of any significant engagement with shareholders regarding the amendment;</li> <li>- The level of impairment of shareholders’ rights caused by the board’s unilateral amendment to the bylaws/charter;</li> <li>- The board’s track record with regard to unilateral board action on bylaw/charter amendments or other entrenchment provisions;</li> <li>- The company’s ownership structure;</li> <li>- The company’s existing governance provisions;</li> <li>- The timing of the board’s amendment to the bylaws/charter in connection with a significant business development; and,</li> <li>- Other factors, as deemed appropriate, that may be relevant to determine the impact of the amendment on shareholders.</li> </ul>
	<p>Unless the adverse amendment is reversed or submitted to a binding shareholder vote, in subsequent years vote <b>case-by-case</b> on director nominees. Generally vote against (except new nominees, who should be considered case-by-case) if the directors:</p> <ul style="list-style-type: none"> <li>- Adopted supermajority vote requirements to amend the bylaws or charter; or</li> <li>- Eliminated shareholders’ ability to amend bylaws.</li> </ul>

<sup>2</sup> Defined by the Glass Lewis ESG Thematic Policy.



<b>Board Accountability (cont'd)</b>	<p><b>Problematic Governance Structure - Newly Public Companies</b> For companies that hold or held their first annual meeting<sup>3</sup> of public shareholders after Feb. 1, 2015, generally vote <b>against or withhold</b> from directors individually, committee members, or the entire board (except new nominees, who should be considered case-by-case) if, prior to or in connection with the company's public offering, the company or its board adopted bylaw or charter provisions materially adverse to shareholder rights:</p> <ul style="list-style-type: none"> <li>- Supermajority vote requirements to amend the bylaws or charter;</li> <li>- A classified board structure;</li> <li>- Other egregious provisions.</li> </ul> <p>A provision which specifies that the problematic structure(s) will be sunset within seven years of the date of going public will be considered a mitigating factor.</p> <p>Unless the adverse provision and/or problematic capital structure is reversed or removed, vote <b>case-by-case</b> on director nominees in subsequent years.</p>
	<p><b>Management Proposals to Ratify Existing Charter or Bylaw Provisions</b> Vote <b>against/withhold</b> from individual directors, members of the governance committee, or the full board, where boards ask shareholders to ratify existing charter or bylaw provisions considering the following factors:</p> <ul style="list-style-type: none"> <li>- The presence of a shareholder proposal addressing the same issue on the same ballot;</li> <li>- The board's rationale for seeking ratification;</li> <li>- Disclosure of actions to be taken by the board should the ratification proposal fail;</li> <li>- Disclosure of shareholder engagement regarding the board's ratification request;</li> <li>- The level of impairment to shareholders' rights caused by the existing provision;</li> <li>- The history of management and shareholder proposals on the provision at the company's past meetings;</li> <li>- Whether the current provision was adopted in response to the shareholder proposal;</li> <li>- The company's ownership structure; and</li> <li>- Previous use of ratification proposals to exclude shareholder proposals.</li> </ul>
	<p><b>Restrictions on Shareholders' Rights</b> Generally vote <b>against</b> or withhold from members of the governance committee if:</p> <ul style="list-style-type: none"> <li>- The company's governing documents impose undue restrictions on shareholders' ability to amend the bylaws. Such restrictions include, but are not limited to: outright prohibition on the submission of binding shareholder proposals, or share ownership requirements or time holding requirements in excess of SEC Rule 14a-8. Vote against on an ongoing basis.</li> </ul>
	<p><b>Stakeholder Governance</b> Generally vote <b>for</b> proposals seeking nomination of stakeholder representatives to the board, seeking to improve stakeholder voice at the board level, or seeking related feasibility studies or disclosure.</p> <p>Generally vote <b>for</b> proposals seeking alignment of corporate policies and practices with public company statements or related disclosures.</p>

<sup>3</sup> Includes companies that emerge from bankruptcy, SPAC transactions, spin-offs, direct listings, and those who complete a traditional initial public offering.

Say on Climate	<p><b>Say on Climate</b></p> <p>Vote <b>case-by-case</b> on management proposals seeking approval of the company's climate transition action plan (so-called "Say on Climate" proposals) taking into account the completeness and rigor of the plan based on evaluation of plan and alignment with Domini Climate Transition Plan expectations, including:</p> <ol style="list-style-type: none"> <li>1. Absolute (vs intensity) GHG emissions reduction targets and reporting</li> <li>2. Near-term quantitative GHG targets (2030)</li> <li>3. Explicit business model change strategies</li> <li>4. Capital expenditures, and research and development alignment strategies and goals and evidence of progress toward the goals</li> <li>5. Climate-related physical risk assessments</li> <li>6. Just transition strategies and programs regarding workers, communities and customers.</li> </ol>
Board Responsiveness	<p>Vote <b>case-by-case</b> on individual directors, committee members, or the entire board of directors as appropriate if:</p> <p>The board failed to act on a shareholder proposal that received the support of a majority of the shares cast in the previous year or failed to act on a management proposal seeking to ratify an existing charter/bylaw provision that received opposition of a majority of the shares cast in the previous year. Factors that will be considered are:</p> <ul style="list-style-type: none"> <li>- Disclosed outreach efforts by the board to shareholders in the wake of the vote;</li> <li>- Rationale provided in the proxy statement for the level of implementation;</li> <li>- The subject matter of the proposal;</li> <li>- The level of support for and opposition to the resolution in past meetings;</li> <li>- Actions taken by the board in response to the majority vote and its engagement with shareholders;</li> <li>- The continuation of the underlying issue as a voting item on the ballot (as either shareholder or management proposals); and</li> <li>- Other factors as appropriate.</li> <li>- The board failed to act on takeover offers where the majority of shares are tendered;</li> <li>- At the previous board election, any director received more than 50 percent withhold/against votes of the shares cast and the company has failed to address the issue(s) that caused the high withhold/against vote.</li> </ul> <p>Vote <b>case-by-case</b> on Compensation Committee members (or, in exceptional cases, the full board) and the Say on Pay proposal if:</p> <ul style="list-style-type: none"> <li>- The company's previous say-on-pay received the support of less than 70 percent of votes cast. Factors that will be considered are: <ul style="list-style-type: none"> <li>- The company's response, including: <ul style="list-style-type: none"> <li>o Disclosure of engagement efforts with major institutional investors regarding the issues that contributed to the low level of support (including the timing and frequency of engagements and whether independent directors participated);</li> <li>o Disclosure of the specific concerns voiced by dissenting shareholders that led to the say-on-pay opposition;</li> <li>o Disclosure of specific and meaningful actions taken to address shareholders' concerns;</li> </ul> </li> <li>- Other recent compensation actions taken by the company;</li> <li>- Whether the issues raised are recurring or isolated;</li> <li>- The company's ownership structure; and</li> <li>- Whether the support level was less than 50 percent, which would warrant the highest degree of responsiveness.</li> </ul> </li> <li>- The board implements an advisory vote on executive compensation on a less frequent basis than the frequency that received the plurality of votes cast.</li> </ul>

<p><b>Director Independence</b></p>	<p>Vote <b>against/withhold</b> non-independent chair.  Vote <b>against/withhold</b> non-independent directors when board is not majority independent.  Markets with Employee Representatives (as identified by Glass Lewis):  Vote <b>against/withhold</b> non-independent directors when board is not majority independent (excluding Employee Representatives from the independence calculation)</p> <p>Vote <b>against or withhold</b> from non-independent directors (Executive Directors and Non-Independent Non-Executive Directors when:</p> <ul style="list-style-type: none"> <li>- The company lacks an audit, compensation, or nominating committee so that the full board functions as that committee; or</li> <li>- The non-independent director serves on the audit, compensation, or nominating committee; or</li> <li>- The company lacks a formal nominating committee, even if the board attests that the independent directors fulfill the functions of such a committee.</li> <li>- Directors serving on the compensation committee that also serve as CEOs (of a public or, where information is available, private for-profit company)</li> </ul>
<p><b>Director Diversity/ Competence<sup>4</sup></b></p>	<p><b>Board Diversity</b></p> <p>US/CAN/UK/AUS:  -Vote <b>against</b> all nominating committee members (or the full board when no nominating committee) if the board does not include 40% or three (whichever is greater) persons from historically underrepresented groups  -Vote <b>against</b> the entire slate of nominees if there are no persons from historically underrepresented groups among directors on the board  -Vote <b>case-by-case</b> basis on board racial diversity in countries not specifically mentioned above-Also apply gender diversity per the below (separately)</p> <p>ALL MARKETS:  -Vote <b>against</b> all nominating committee members (or the full board when no nominating committee) if the board does not include 40% or three (whichever is greater) women  -Vote <b>against</b> all male nominees AND the nominating committee if the board is less than 30% female  -Vote <b>against</b> the entire slate of nominees if there are no female directors on the board</p> <p>SOUTH AFRICA:  -Vote <b>against</b> the applicable directors if the company fails the gender requirements above. In cases where a South African company does meet all of Domini's gender diversity thresholds  -Vote <b>against</b> nominating committee members (or the full board when no nominating committee) if the board does not include 40% or three (whichever is greater) directors who are Black African or from other historically under-represented groups (where the information is available)</p>

<sup>4</sup> Classification of Directors is based on definitions in Glass Lewis' ESG Thematic Policy

<b>Director Diversity/ Competence (cont'd)</b>	<b>Attendance at Board and Committee Meetings</b>	<p><b>Generally vote against/withhold</b> from directors (except new nominees) who attend less than 75 percent of the aggregate of their board and committee meetings for the period for which they served, unless an acceptable reason for absences is disclosed in the proxy or another SEC filing. New nominees who served for only part of the fiscal year are generally exempted from the attendance policy.</p> <p>Acceptable reasons for director absences are generally limited to the following: medical issues/illness; family emergencies; and if the director's total service was three meetings or fewer and the director missed only one meeting.</p> <p>In cases of chronic poor attendance (i.e., less than 75%) without reasonable justification, in addition to voting <b>against</b> the director(s) with poor attendance, generally vote <b>against</b> or withhold from appropriate members of the nominating/governance committees or the full board.</p> <p>If the proxy disclosure is unclear and insufficient to determine whether a director attended at least 75 percent of the aggregate of his/her board and committee meetings during his/her period of service, vote <b>against/withhold</b> from the director(s) in question.</p>
	<b>Overboarded Directors</b>	<p><b>Generally vote against or withhold</b> from individual directors who:</p> <ul style="list-style-type: none"> <li>- Sit on more than four public company boards; or</li> <li>- Are CEOs (of a public or, where information is available, private for-profit company) companies who sit on the boards of more than two public companies besides their own—withhold only at their outside boards.</li> </ul>
<b>Board-Related</b>		
<b>Classification/ Declassification of the Board</b>	<p>Vote <b>for</b> proposals to repeal classified boards and to elect all directors annually.</p> <p>Vote <b>against</b> proposals to classify (stagger) the board of directors.</p>	
<b>Majority Vote Threshold for Director Elections</b>	<p>Generally vote <b>for</b> management proposals to adopt a majority of vote cast standard for directors in uncontested elections.</p> <p>Vote <b>against</b> if no carve-out for plurality in contested elections is included.</p>	
<b>Cumulative Voting</b>	<p>Generally vote <b>for</b> elimination of cumulative voting or <b>against</b> shareholder proposals to restore or provide for cumulative voting unless voting at a controlled company (insider voting power &gt;50%)</p>	
<b>Director and Officer Liability Protection</b>	<p>Vote <b>against</b> proposals to limit or eliminate entirely director and officer liability for: (i) a breach of the duty of care, (ii) acts or omissions not in good faith or involving intentional misconduct or knowing violations of the law, (iii) acts involving the unlawful purchases or redemptions of stock, (iv) the payment of unlawful dividends, or (v) the receipt of improper personal benefits.</p>	
<b>Director and Officer Indemnification</b>	<p>Vote <b>against</b> indemnification proposals that would expand coverage beyond just legal expenses to acts, such as negligence, that are more serious violations of fiduciary obligations than mere carelessness.</p> <p>Vote <b>against</b> proposals that would expand the scope of indemnification to provide for mandatory indemnification of company officials in connection with acts that previously the company was</p>	

permitted to provide indemnification for at the discretion of the company's board (i.e., "permissive indemnification") but that previously the company was not required to indemnify.

Vote **for** only those proposals that provide such expanded coverage in cases when a director's or officer's legal defense was unsuccessful if: (i) the director was found to have acted in good faith and in a manner that the director reasonably believed was in the best interests of the company, and (ii) only if the director's legal expenses would be covered.

<b>Shareholder Ability to Remove Directors/Fill Vacancies</b>	Vote <b>against</b> proposals that provide that directors may be removed only for cause.
	Vote <b>for</b> proposals to restore shareholder ability to remove directors with or without cause.
	Vote <b>against</b> proposals that provide that only continuing directors may elect replacements to fill board vacancies.
	Vote <b>for</b> proposals that permit shareholders to elect directors to fill board vacancies.
<b>Board Size</b>	Vote <b>for</b> proposals that seek to limit the size of the board to a reasonable number (5-15); generally vote <b>against</b> proposals to change the size of the board solely as a cost-cutting measure.
	Vote <b>case-by-case</b> on proposals that seek to change the size or range of the board.
	Vote <b>against</b> proposals that give management the ability to alter the size of the board without shareholder approval.
<b>Establish/Amend Nominee Qualifications</b>	Vote <b>case-by-case</b> on proposals that establish or amend director qualifications. Votes should be based on how reasonable the criteria are and to what degree they may preclude dissident nominees from joining the board.
<b>Term/Tenure and Age Limits</b>	Generally vote <b>for</b> reasonable limits to tenure and mandatory retirement ages, considering all appropriate context.

### Board-Related Shareholder Proposals/Initiatives

<b>Proxy Contests- Voting for Director Nominees in Contested Elections</b>	<p>Vote <b>case-by-case</b> on the election of directors in contested elections, considering the following factors:</p> <ul style="list-style-type: none"> <li>- Long-term financial performance of the target company relative to its industry;</li> <li>- Management's track record;</li> <li>- Background to the proxy contest;</li> <li>- Qualifications of the director nominees (both slates);</li> <li>- Strategic plan of dissident slate and quality of critique against management;</li> <li>- Likelihood that the proposed goals and objectives can be achieved (both slates);</li> <li>- Stock ownership positions;</li> <li>- Impact on stakeholders, such as job loss, community lending, equal opportunity, and impact on environment</li> </ul> <p>In the case of candidates nominated pursuant to proxy access, vote <b>case-by-case</b> considering any applicable factors listed above or additional factors which may be relevant, including those that are specific to the company, to the nominee(s) and/or to the nature of the election (such as whether or not there are more candidates than board seats).</p>
<b>Annual Election (Declassification) of the Board</b>	<p>Vote <b>for</b> shareholder proposals to repeal classified (staggered) boards and to elect all directors annually.</p> <p>Vote <b>against</b> proposals to classify the board.</p>

<b>Majority Threshold Voting Shareholder Proposals</b>	Vote <b>for</b> precatory and binding resolutions requesting that the board change the company's bylaws to stipulate that directors need to be elected with an affirmative majority of votes cast, provided it does not conflict with the state law where the company is incorporated. Binding resolutions need to allow for a carve-out for a plurality vote standard when there are more nominees than board seats.
<b>Majority of Independent Directors</b>	Vote <b>for</b> shareholder proposals asking that a majority or more of directors be independent unless the board composition already meets the proposed threshold by Glass Lewis' definition of independent outsider.  Vote <b>for</b> shareholder proposals to strengthen the definition of independence for board directors.
<b>Establishment of Independent Committees</b>	Vote <b>for</b> shareholder proposals asking that board audit, compensation, and/or nominating committees be composed exclusively of independent directors.
<b>Independent Board Chair</b>	Vote <b>for</b> shareholder proposals that would require the board chair to be independent of management.
<b>Establishment of Board Committees</b>	<p>Generally vote <b>for</b> shareholder proposals to establish a new board committee to address broad corporate policy topics or to provide a forum for ongoing dialogue on issues such as the environment, human or labor rights, shareholder relations, occupational health and safety, etc. when the formation of such committees appears to be a potentially effective method of protecting or enhancing shareholder value. In evaluating such proposals, the following factors will be considered:</p> <ul style="list-style-type: none"> <li>- Existing oversight mechanisms (including current committee structure) regarding the issue for which board oversight is sought;</li> <li>- Level of disclosure regarding the issue for which board oversight is sought;</li> <li>- Company performance related to the issue for which board oversight is sought;</li> <li>- Board committee structure compared to that of other companies in its industry sector; and</li> <li>- The scope and structure of the proposal.</li> </ul>
<b>Employee Representation on Board</b>	Vote <b>for</b> shareholder proposals to appoint an employee nominee to the Board.
<b>Establish/Amend Nominee Qualifications</b>	<p>Vote <b>case-by-case</b> on proposals that establish or amend director qualifications. Votes should be based on how reasonable the criteria are and to what degree they may preclude dissident nominees from joining the board.</p> <p>Vote <b>case-by-case</b> on shareholder resolutions seeking a director nominee candidate who possesses a particular subject matter expertise, considering:</p> <ul style="list-style-type: none"> <li>- The company's board committee structure, existing subject matter expertise, and board nomination provisions relative to that of its peers;</li> <li>- The company's existing board and management oversight mechanisms regarding the issue for which board oversight is sought;</li> <li>- The company's disclosure and performance relating to the issue for which board oversight is sought and any significant related controversies; and</li> <li>- The scope and structure of the proposal.</li> </ul>
<b>Board Policy on Shareholder Engagement</b>	<p>Vote <b>for</b> shareholders proposals requesting that the board establish an internal mechanism/process, which may include a committee, in order to improve communications between directors and shareholders, unless the company has the following features, as appropriate:</p> <ul style="list-style-type: none"> <li>- Established a communication structure that goes beyond the exchange requirements to facilitate the exchange of information between shareholders and members of the board;</li> <li>- Effectively disclosed information with respect to this structure to its shareholders;</li> <li>- The company has not ignored majority-supported shareholder proposals or a majority withhold vote on a director nominee; and</li> </ul>

<p>- The company has an independent chairman or a lead director. This individual must be made available for periodic consultation and direct communication with major shareholders.</p>	
<b>Proxy Access</b>	<p>Generally vote <b>for</b> management and shareholder proposals for proxy access with the following provisions: - Ownership threshold: maximum requirement not more than three percent (3%) of the voting power; - Ownership duration: maximum requirement not longer than three (3) years of continuous ownership for each member of the nominating group; - Aggregation: minimal or no limits on the number of shareholders permitted to form a nominating group; - Cap: cap on nominees of generally twenty-five percent (25%) of the board. Review for reasonableness any other restrictions on the right of proxy access.</p> <p>Generally vote <b>against</b> proposals that are more restrictive than these guidelines.</p>
<b>Term/Tenure and Age Limits</b>	Generally vote <b>for</b> shareholder proposals seeking reasonable limits to tenure and mandatory retirement ages, considering all appropriate context.
<b>CEO Succession Planning</b>	<b>Generally vote for</b> proposals seeking disclosure on a CEO succession planning policy, considering the scope of the request and the company's existing disclosure on its current CEO succession planning process.
<b>Vote No Campaigns</b>	In cases where companies are targeted in connection with public "vote no" campaigns, evaluate director nominees <b>case-by-case</b> under the existing governance policies for voting on director nominees in uncontested elections. Take into consideration the arguments submitted by shareholders and other publicly available information.
<b>Stakeholder Governance</b>	<p><b>Generally vote for</b> proposals seeking nomination of stakeholder representatives to the board, seeking to improve stakeholder voice at the board level, or seeking related feasibility studies or disclosure.</p> <p><b>Generally vote for</b> proposals seeking alignment of corporate policies with public company statements and practices, or related disclosures.</p>
<b>Ratification of Auditors</b>	
<b>Auditor Ratification</b>	<p>Vote <b>for</b> proposals to ratify auditors, unless any of the following apply:</p> <ul style="list-style-type: none"> <li>- The non-audit fees paid represent 25 percent or more of the total fees paid to the auditor;</li> <li>- An auditor has a financial interest in or association with the company, and is therefore not independent;</li> <li>- There is reason to believe that the independent auditor has rendered an opinion that is neither accurate nor indicative of the company's financial position; or</li> <li>- Poor accounting practices are identified that rise to a serious level of concern, such as: fraud; misapplication of GAAP; and material weaknesses identified in Section 404 disclosures.</li> </ul>
<b>Auditor-Related Shareholder Proposals</b>	<p><b>Auditor Independence</b> Vote <b>for</b> shareholder proposals to allow shareholders to vote on auditor ratification.</p> <p>Vote <b>for</b> proposals that ask a company to adopt a policy on auditor independence.</p> <p>Vote <b>for</b> proposals that seek to limit the non-audit services provided by the company's auditor.</p>
	<p><b>Auditor Rotation</b> Vote <b>for</b> shareholder proposals to rotate company's auditor every five years or more.</p>

Takeover Defenses / Shareholder Rights	
Takeover Defenses and Shareholder Rights-Related Management Proposals	
<b>Poison Pills (Shareholder Rights Plans)</b>	<p>Vote <b>case-by-case</b> on management proposals on poison pill ratification. The rights plan should have the following attributes:</p> <ul style="list-style-type: none"> <li>- No lower than a 20% trigger, flip-in or flip-over provision;</li> <li>- A term of no more than three years;</li> <li>- No dead-hand, slow-hand, no-hand or similar feature that limits the ability of a future board to redeem the pill;</li> <li>- Shareholder redemption feature (qualifying offer clause): if the board refuses to redeem the pill 90 days after a qualifying offer is announced, 10 percent of the shares may call a special meeting or seek a written consent to vote on rescinding the pill; and</li> <li>- The rationale for adopting the pill should be thoroughly explained by the company. In examining the request for the pill, the company's existing governance structure, including: board independence, existing takeover defenses, and any problematic governance concerns should be taken into consideration.</li> </ul>
<b>Management Proposals to Ratify Existing Charter or Bylaw Provisions</b>	<p>Generally vote <b>against</b> management proposals to ratify provisions of the company's existing charter or bylaws, unless these governance provisions align with best practice. In addition, voting <b>against/withhold</b> from individual directors, members of the governance committee, or the full board may be warranted, considering:</p> <ul style="list-style-type: none"> <li>› The presence of a shareholder proposal addressing the same issue on the same ballot;</li> <li>› The board's rationale for seeking ratification;</li> <li>› Disclosure of actions to be taken by the board should the ratification proposal fail;</li> <li>› Disclosure of shareholder engagement regarding the board's ratification request;</li> <li>› The level of impairment to shareholders' rights caused by the existing provision;</li> <li>› The history of management and shareholder proposals on the provision at the company's past meetings;</li> <li>› Whether the current provision was adopted in response to the shareholder proposal;</li> <li>› The company's ownership structure; and</li> <li>› Previous use of ratification proposals to exclude shareholder proposals.</li> </ul>
<b>Net Operating Loss (NOL) Poison Pills/Protective Amendments</b>	<p>Vote <b>against</b> proposals to adopt a poison pill for the state purpose of protecting a company's NOLs if the term of the pill would exceed the shorter of 3 years and the exhaustion of the NOL.</p> <p>Vote <b>case-by-case</b> on management proposals for poison pill ratification, considering the following factors, if the term of the pill would be the shorter of 3 years (or less) and the exhaustion of the NOL:</p> <ul style="list-style-type: none"> <li>- the ownership threshold to transfer,</li> <li>- the value of the NOLs, (iii) shareholder protection mechanisms,</li> <li>- the company's existing governance structure, and</li> <li>- any other relevant factors.</li> </ul> <p>Vote <b>against</b> proposals to adopt a protective amendment for the stated purpose of protecting a company's NOLs if the effective term of the protective amendment would exceed the shorter of 3 years and the exhaustion of the NOL.</p> <p>Vote <b>case-by-case</b>, considering the following factors, for management proposals to adopt an NOL protective amendment that would remain in effect for the shorter of 3 years (or less) and the exhaustion of the NOL: (i) the ownership threshold to transfer, (ii) the value of the NOLs, (iii) shareholder protection mechanisms, (iv) the company's existing governance structure, and (v) any other relevant factors.</p>
<b>Supermajority Shareholder Vote Requirements</b>	<p>Vote <b>for</b> proposals to reduce supermajority shareholder vote requirements for charter amendments, mergers and other significant business combinations.</p> <p>For companies with shareholder(s) who own a significant amount of company stock, vote case-by-case, taking into account: a) ownership structure; b) quorum requirements; and c) supermajority vote requirements.</p> <p>Vote <b>against</b> proposals to require a supermajority shareholder vote for charter amendments, mergers and other significant business combinations.</p>



<b>Shareholder Ability to Call Special Meeting</b>	<p>Vote <b>for</b> proposals that provide shareholders with the ability to call special meetings taking into account: a) shareholders' current right to call special meetings, b) minimum ownership threshold necessary to call special meetings (10% preferred), c) the inclusion of exclusionary or prohibitive language, d) investor ownership structure, and e) shareholder support of and management's response to previous shareholder proposals.</p> <p>Vote <b>against</b> proposals to restrict or prohibit shareholders' ability to call special meetings.</p>
<b>Shareholder Ability to Act by Written Consent</b>	<p>Generally vote <b>against</b> proposals to restrict or prohibit shareholders' ability to take action by written consent.</p> <p>Vote <b>for</b> proposals to allow or facilitate shareholder action by written consent, taking into consideration: a) shareholders' current right to act by written consent, b) consent threshold, c) the inclusion of exclusionary or prohibitive language, d) Investor ownership structure, and e) shareholder support of and management's response to previous shareholder proposals.</p> <p>Vote <b>case-by-case</b> on shareholder proposals if, in addition to the considerations above, the company has the following governance and antitakeover provisions; a) an unfettered right for shareholders to call special meetings at a 10 percent threshold; b) a majority vote standard in uncontested director elections; c) no non-shareholder approved pill, and; d) an annually elected board.</p>
<b>Advance Notice Requirements for Shareholder Proposals/Nominations</b>	<p>Vote <b>case-by-case</b> basis on advance notice proposals, giving support to those proposals which allow shareholders to submit proposals/nominations as close to the meeting date as reasonably possible and within the broadest window possible, recognizing the need to allow sufficient notice for company, regulatory and shareholder review.</p> <p>To be reasonable, the company's deadline for shareholder notice of a proposal/nominations must be no earlier than 120 days prior to the anniversary of the previous year's meeting and have a submittal window of no shorter than 30 days from the beginning of the notice period (also known as a 90-120 day window). The submittal window is the period under which shareholders must file their proposals/nominations prior to the deadline.</p> <p>In general, support additional efforts by companies to ensure full disclosure in regard to a proponent's economic and voting position in the company so long as the informational requirements are reasonable and aimed at providing shareholders with the necessary information to review such proposals.</p>
<b>Fair Price Provisions</b>	<p>Vote <b>case-by-case</b> on proposals to adopt fair price provisions evaluating factors such as the vote required to approve the proposed acquisition, the vote required to repeal the fair price provision, and the mechanism for determining the fair price.</p> <p>Generally, vote <b>against</b> fair price provisions with shareholder vote requirements greater than a majority of disinterested shares.</p>
<b>Greenmail</b>	<p>Vote <b>for</b> proposals to adopt anti-greenmail charter or bylaw amendments or otherwise restrict a company's ability to make greenmail payments.</p> <p>Review on a case-by-case basis anti-greenmail proposals when they are bundled with other charter or bylaw amendments.</p>
<b>Confidential Voting</b>	Vote <b>for</b> management proposals to adopt confidential voting.
<b>Control Share Acquisition Provisions</b>	<p>Vote <b>for</b> proposals to opt out of control share acquisition statutes unless doing so would enable the completion of a takeover that would be detrimental to shareholders.</p> <p>Vote <b>against</b> proposals to amend the charter to include control share acquisition provisions.</p> <p>Vote <b>for</b> proposals to restore voting rights to the control shares.</p>

<b>Control Share Cash-Out Provisions</b>	Vote <b>for</b> proposals to opt out of control share cash-out statutes.	
<b>Disgorgement Provisions</b>	Vote <b>for</b> proposals to opt out of state disgorgement provisions.	
<b>State Takeover Statutes</b>	Vote on a <b>case-by-case</b> basis proposals to opt in or out of state takeover statutes (including control share acquisition statutes, control share cash-out statutes, freezeout provisions, fair price provisions, stakeholder laws, poison pill endorsements, severance pay and labor contract provisions, anti-greenmail provisions, and disgorgement provisions).	
	Vote <b>for</b> opting into stakeholder protection statutes if they provide comprehensive protections for employees and community stakeholders.	
<b>Freeze-Out Provisions</b>	Vote <b>for</b> proposals to opt out of state freeze-out provisions.	
<b>Reincorporation Proposals</b>	<p>Vote on a <b>case-by-case</b> basis proposals to change a company's state of incorporation giving consideration to both financial and corporate governance concerns including the following:</p> <ul style="list-style-type: none"> <li>- Reasons for reincorporation;</li> <li>- Comparison of company's governance practices and provisions prior to and following the reincorporation;</li> <li>- Comparison of corporation laws of original state and destination state.</li> </ul> <p>Reincorporations into "tax havens" will be given special consideration.</p>	
<b>Amend Bylaws Without Shareholder Consent</b>	Vote <b>against</b> proposals giving the board exclusive authority to amend the bylaws.	
<b>Shareholder Litigation Rights</b>	Vote <b>for</b> proposals giving the board the ability to amend the bylaws in addition to shareholders.	
	<b>Federal Forum Selection Provisions</b>	<p><b>Generally vote for</b> federal forum selection provisions in the charter or bylaws that specify "the district courts of the United States" as the exclusive forum for federal securities law matters, in the absence of serious concerns about corporate governance or board responsiveness to shareholders.</p> <p>Vote <b>against</b> provisions that restrict the forum to a particular federal district court; unilateral adoption (without a shareholder vote) of such a provision will generally be considered a one-time failure under the Unilateral Bylaw/Charter Amendments policy.</p>

	<b>Exclusive Forum Provisions for State Law Matters</b>	<p><b>Generally vote</b> for charter or bylaw provisions that specify courts located within the state of Delaware as the exclusive forum for corporate law matters for Delaware corporations, in the absence of serious concerns about corporate governance or board responsiveness to shareholders.</p> <p>For states other than Delaware, vote <b>case-by-case</b> on exclusive forum provisions, taking into consideration:</p> <ul style="list-style-type: none"> <li>- The company's stated rationale for adopting such a provision;</li> <li>- Disclosure of past harm from shareholder lawsuits in more than one forum;</li> <li>- The breadth of application of the charter or bylaw provision, including the types of lawsuits to which it would apply and the definition of key terms; and</li> <li>- Governance features such as shareholders' ability to repeal the provision at a later date (including the vote standard applied when shareholders attempt to amend the bylaws) and their ability to hold directors accountable through annual director elections and a majority vote standard in uncontested elections.</li> </ul> <p>Generally vote <b>against</b> provisions that specify a state other than the state of incorporation as the exclusive forum for corporate law matters, or that specify a particular local court within the state; unilateral adoption of such a provision will generally be considered a one-time failure under the <u>Unilateral Bylaw/Charter Amendments</u> policy.</p>
	<b>Fee Shifting</b>	<p><b>Generally vote against</b> bylaws that mandate fee-shifting whenever plaintiffs are not completely successful on the merits (i.e., in cases where the plaintiffs are partially successful).</p>
		<p>Unilateral adoption of a fee-shifting provision will generally be considered an ongoing failure under the <u>Unilateral Bylaw/Charter Amendments</u> policy.</p>

Takeover Defenses and Shareholder Rights-Related Shareholder Proposals	
<b>Shareholder Proposals to put Pill to a Vote and/or Adopt a Pill Policy</b>	<p>Vote <b>for</b> shareholder proposals requesting that the company submit its poison pill to a shareholder vote or redeem it unless the company has: 1) a shareholder approved poison pill in place, or 2) the company has adopted a policy concerning the adoption of a pill in the future specifying that the board will only adopt a shareholder rights plan if either:</p> <ul style="list-style-type: none"> <li>- shareholders have approved the adoption of the plan or;</li> <li>- the board, in its exercise of its fiduciary responsibilities, determines that it is in the best interest of shareholders under the circumstances to adopt a pill without the delay in adoption that would result from seeking stockholder approval.</li> </ul>
<b>Reduce Supermajority Vote Requirements</b>	<p>Vote <b>for</b> shareholder proposals to lower supermajority shareholder vote requirements for charter and bylaw amendments.</p> <p>Vote <b>for</b> shareholder proposals to lower supermajority shareholder vote requirements for mergers and other significant business combinations.</p>
<b>Remove Antitakeover Provisions</b>	<p>Vote <b>for</b> shareholder proposals that seek to remove antitakeover provisions.</p>
<b>Reimbursing Proxy Solicitation Expenses</b>	<p>Vote <b>case-by-case</b> on proposals to reimburse proxy solicitation expenses. When voting in conjunction with support of a dissident slate, vote for the reimbursement of all appropriate proxy solicitation expenses associated with the election.</p> <p>Vote <b>for</b> shareholder proposals calling for the reimbursement of reasonable costs incurred in connection with nominating one or more candidates in a contested election where the following apply:</p> <ul style="list-style-type: none"> <li>- The election of fewer than 50 percent of the directors to be elected is contested in the election;</li> <li>- One or more of the dissident's candidates is elected;</li> </ul>

	<ul style="list-style-type: none"> <li>- Shareholders are not permitted to cumulate their votes for directors;</li> <li>- The election occurred, and the expenses were incurred, after the adoption of this bylaw.</li> </ul>
<b>Virtual Shareholder Meetings</b>	<p><b>Generally vote</b> for management proposals allowing for the convening of shareholder meetings by electronic means, so long as they do not preclude in-person meetings. Companies are encouraged to disclose the circumstances under which virtual-only<sup>5</sup> <b>meetings</b> would be held, and to allow for comparable rights and opportunities for shareholders to participate electronically as they would have during an in-person meeting.</p> <p>Vote <b>case-by-case</b> on shareholder proposals concerning virtual-only meetings, considering:</p> <ul style="list-style-type: none"> <li>▪ Scope and rationale of the proposal; and</li> <li>▪ Concerns identified with the company’s prior meeting practices.</li> </ul>

<sup>5</sup> Virtual-only shareholder meeting” refers to a meeting of shareholders that is held exclusively using technology without a corresponding in-person meeting.

<b>Miscellaneous Governance Provisions</b>	
<b>Bundled Proposals</b>	Review on a <b>case-by-case</b> basis bundled or “conditioned” proxy proposals.
<b>Adjourn Meeting</b>	<p><b>Generally vote against</b> proposals to provide management with the authority to adjourn an annual or special meeting absent compelling reasons to support the proposal.</p> <p>Vote <b>for</b> proposals that relate specifically to soliciting votes for a merger or transaction if supporting that merger or transaction.</p> <p>Vote <b>against</b> proposals if the wording is too vague or if the proposal includes “other business.”</p>
<b>Changing Corporate Name</b>	Vote <b>for</b> changing the corporate name unless there is compelling evidence that the change would adversely affect shareholder value.
<b>Amend Quorum Requirements</b>	<p>Vote <b>case-by-case</b> on proposals to reduce quorum requirements for shareholder meetings below a majority of the shares outstanding, taking into consideration:</p> <ul style="list-style-type: none"> <li>▪ The new quorum threshold requested;</li> <li>▪ The rationale presented for the reduction;</li> <li>▪ The market capitalization of the company (size, inclusion in indices);</li> <li>▪ The company’s ownership structure;</li> <li>▪ Previous voter turnout or attempts to achieve quorum;</li> <li>▪ Any provisions or commitments to restore quorum to a majority of shares outstanding, should voter turnout improve sufficiently; and</li> <li>▪ Other factors as appropriate.</li> </ul> <p>In general, a quorum threshold kept as close to a majority of shares outstanding as is achievable is preferred.</p> <p>Vote <b>case-by-case</b> on directors who unilaterally lower the quorum requirements below a majority of the shares outstanding, taking into consideration the factors listed above.</p>
<b>Amend Minor Bylaws</b>	Vote <b>for</b> bylaw or charter changes that are of a housekeeping nature (updates or corrections).
<b>Other Business</b>	<b>Generally vote against</b> other business proposals.

## Capital Structure

<b>Common Stock Authorization</b>	<p>Proposals to increase authorized common stock are evaluated on a <b>case-by-case</b> basis, taking into account the size of the increase, the company’s rationale for additional shares, the company’s use of authorized shares during the last three years, and the risk to shareholders if the request is not approved. A company’s need for additional shares is gauged by measuring shares outstanding and reserved as a percentage of the total number of shares currently authorized for issuance.</p> <p><b>Generally vote against</b> the requested increase in authorized capital on the basis of imprudent past use of shares if, within the past three years, the board adopted a poison pill without shareholder approval, repriced or exchanged underwater stock options without shareholder approval, or placed a substantial amount of stock with insiders at prices substantially below market value without shareholder approval.</p> <p>Vote <b>for</b> proposals to increase the number of authorized common shares where the primary purpose of the increase is to issue shares in connection with a transaction on the same ballot that warrants support.</p> <p>Vote <b>against</b> proposals at companies with more than one class of common stock to increase the number of authorized shares of the class of common stock that has superior voting rights.</p> <p>Vote <b>against</b> proposals to increase the number of authorized common shares if a vote for a reverse stock split on the same ballot is warranted despite the fact that the authorized shares would not be reduced proportionally.</p> <p>Review on a <b>case-by-case</b> basis all other proposals to increase the number of shares of common stock authorized for issue, considering company-specific factors that include past company performance and the current request.</p>
<b>Issue Stock for Use with Rights Plan</b>	<p>Vote <b>against</b> proposals that increase authorized common stock for the explicit purpose of implementing a non-shareholder approved shareholder rights plan (poison pill).</p>
<b>Stock Distributions: Splits and Dividends</b>	<p>Generally <b>vote for</b> management proposals to increase the common share authorization for stock split or stock dividend, provided that the effective increase in authorized shares is equal to or is less than the allowable increase calculated in accordance with Glass Lewis’ Benchmark Policy.</p>
<b>Reverse Stock Splits</b>	<p>Vote <b>for</b> management proposals to implement a reverse stock split when the number of authorized shares will be proportionately reduced; The effective increase in authorized shares is equal to or less than the allowable increase calculated in accordance with Glass Lewis’ Benchmark Policy.</p> <p>Vote <b>case-by-case</b> proposals that do not meet either of the above conditions, taking into account the following factors:</p> <ul style="list-style-type: none"> <li>- A Stock exchange notification to the company of a potential delisting;</li> <li>- Disclosure of substantial doubt about the company’s ability to continue as a going concern without additional financing;</li> <li>- The company’s rationale; or</li> <li>- Other factors as applicable.</li> </ul>
<b>Preferred Stock Authorization</b>	<p>Vote <b>for</b> proposals to increase the number of authorized preferred shares where the primary purpose of the increase is to issue shares in connection with a transaction on the same ballot that warrants support.</p> <p>Vote <b>against</b> proposals at companies with more than one class or series of preferred stock to increase the number of authorized shares of the class or series of preferred stock that has superior voting rights.</p> <p>Vote on a <b>case-by-case</b> basis proposals to increase the number of shares of preferred stock authorized for issuance, considering company-specific factors that include past board performance and the current request.</p>
<b>Blank Check Preferred Stock</b>	<p>Vote <b>against</b> proposals that would authorize the creation of new classes of preferred stock with unspecified voting, conversion, dividend distribution, and other rights (“blank check” preferred stock).</p>

	Vote <b>against</b> proposals to increase the number of blank check preferred stock authorized for issuance when no shares have been issued or reserved for a specific purpose.
	Vote <b>for</b> proposals to create “declawed” blank check preferred stock (stock that cannot be used as a takeover defense).  Vote <b>for</b> requests to require shareholder approval for blank check authorizations.
<b>Adjustments to Par Value of Common Stock</b>	Vote <b>for</b> management proposals to reduce the par value of common stock unless the action is being taken to facilitate an anti-takeover device or some other negative corporate governance action. Vote <b>for</b> management proposals to eliminate par value.
<b>Unequal Voting Rights</b>	<b>Generally vote against</b> proposals to create a new class of common stock, unless: <ul style="list-style-type: none"> <li>- The company discloses a compelling rationale for the dual-class capital structure, including: a) the company’s auditor has concluded that there is substantial doubt about the company’s ability to continue as a going concern; or b) the new class of shares will be transitory;</li> <li>- The new class is intended for financing purposes with minimal or no dilution to current shareholders in both the short term and long term;</li> <li>- The new class is not designed to preserve or increase the voting power of an insider or significant shareholder.</li> </ul>

<b>Preemptive Rights</b>	Review on a <b>case-by-case</b> basis proposals to create or abolish preemptive rights taking into consideration the size of the company, the characteristics of its shareholder base, and the liquidity of the stock.
<b>Debt Restructurings</b>	Review on a <b>case-by-case</b> basis proposals regarding debt restructurings.  Vote <b>for</b> the debt restructuring if it is expected that the company will file for bankruptcy if the transaction is not approved.
<b>Share Repurchase Programs</b>	Vote <b>for</b> management proposals to institute open-market share repurchase plans in which all shareholders may participate on equal terms, or to grant the board authority to conduct open-market repurchases, in the absence of company-specific concerns regarding: Greenmail, The use of buybacks to inappropriately manipulate incentive compensation metrics, Threats to the company’s long-term viability, or Other company-specific factors as warranted.  Vote <b>case-by-case</b> on proposals to repurchase shares directly from specified shareholders, balancing the stated rationale against the possibility for the repurchase authority to be misused, such as to repurchase shares from insiders at a premium to market price.
<b>Conversion of Securities</b>	Vote <b>case-by-case</b> on proposals regarding conversion of securities, taking into account the dilution to existing shareholders, the conversion price relative to market value, financial issues, control issues, termination penalties, and conflicts of interest.  Vote <b>for</b> the conversion if it is expected that the company will be subject to onerous penalties or will be forced to file for bankruptcy if the transaction is not approved.
<b>Recapitalization</b>	Vote <b>case-by-case</b> on recapitalizations (reclassifications of securities), taking into account whether capital structure is simplified, liquidity is enhanced, fairness of conversion terms, impact on voting power and dividends, reasons for the reclassification, conflicts of interest, and other alternatives considered; Vote <b>against</b> dual class capital structures; Vote <b>for</b> proposals to seek approval of recapitalization plan for all stock to have one vote per share.
<b>Tracking Stock</b>	Vote <b>case-by-case</b> on the creation of tracking stock, weighing the strategic value of the transaction against such factors as: adverse governance changes, excessive increases in authorized capital stock, unfair method of distribution, diminution of voting rights, adverse conversion features, negative impact on stock option plans, and alternatives such as spin-offs.

## Executive and Director Compensation

### Executive Pay

<b>Advisory Votes on Executive Compensation - Management Say-on-Pay Proposals</b>	<p>Vote on a <b>case-by-case</b> basis management proposals seeking advisory votes on executive compensation</p> <hr/> <p>Generally vote <b>against</b> unreasonable compensation packages.</p> <p>Vote <b>against</b> if:</p> <ul style="list-style-type: none"> <li>- CEO compensation exceeds \$10 million per year</li> <li>- Misalignment between CEO pay and company performance;</li> <li>- The company maintains problematic pay practices; or</li> <li>- The board exhibits a significant level of poor communication and responsiveness to shareholders.</li> </ul> <p>Vote <b>against</b> or <b>withhold</b> from the members of the Compensation Committee and potentially the full board if:</p> <ul style="list-style-type: none"> <li>- There is no SOP on the ballot, and an against vote on an SOP is warranted due to pay-for-performance misalignment, problematic pay practices, or the lack of adequate responsiveness on compensation issues raised previously, or a combination thereof;</li> <li>- The board fails to respond adequately to a previous SOP proposal that received less than 70 percent support of votes cast;</li> <li>- The company has recently practiced or approved problematic pay practices, including option repricing or option backdating; or</li> <li>- The situation is egregious.</li> </ul> <p>Vote <b>against</b> an equity plan on the ballot if pay for performance misalignment exists, and a significant portion of the CEO's misaligned pay is attributed to non-performance-based equity awards, taking into consideration:</p> <ul style="list-style-type: none"> <li>- Magnitude of pay misalignment;</li> <li>- Contribution of non-performance-based equity grants to overall pay;</li> <li>- The proportion of equity awards granted in the last three fiscal years concentrated at the named executive officer (NEO) level.</li> </ul>
<b>Frequency of Advisory Vote on Executive Compensation - Management Say-on-Pay</b>	<p>Vote for <b>annual</b> advisory votes on compensation, which provide the most consistent and clear communication channel for shareholder concerns about companies' executive pay programs.</p>
<b>Advisory Vote on Golden Parachutes in an Acquisition, Merger, Consolidation, or Proposed Sale</b>	<p>Vote <b>case-by-case</b> on say on Golden Parachute proposals, including consideration of existing change-in-control arrangements maintained with named executive officers rather than focusing primarily on new or extended arrangements.</p>
<b>Equity-Based Incentive Plans</b>	<p>Generally vote <b>against</b> unreasonable compensation packages.</p> <p>Vote <b>against</b> CEO Equity Plans if CEO compensation exceeds \$10 million per year.</p>

Other Compensation Plans	
Amending Cash and Equity Plans (including Approval for Tax Deductibility (162(m)))	<p>Vote <b>case-by-case</b> on amendments to cash and equity incentive plans.</p> <p><b>Generally vote</b> for proposals to approve or amend executive incentive bonus plans if the proposal:</p> <ul style="list-style-type: none"> <li>- Addresses administrative features only; or</li> <li>- Seeks approval for Section 162(m) purposes only, and the plan administering committee consists entirely of independent outsiders. Note that if the company is presenting the plan to shareholders for the first time after the company's initial public offering (IPO), or if the proposal is bundled with other material plan amendments, then the recommendation will be case-by-case (see below).</li> </ul> <p>Vote <b>case-by-case</b> on all other proposals to amend equity incentive plans, considering the following:</p> <ul style="list-style-type: none"> <li>- If the proposal requests additional shares and/or the amendments may potentially increase the transfer of shareholder value to employees, the recommendation will be based on the Equity Plan Scorecard evaluation as well as an analysis of the overall impact of the amendments.</li> <li>- If the plan is being presented to shareholders for the first time after the company's IPO, whether or not additional shares are being requested, the recommendation will be based on the Equity Plan Scorecard evaluation as well as an analysis of the overall impact of any amendments.</li> <li>- If there is no request for additional shares and the amendments are not deemed to potentially increase the transfer of shareholder value to employees, then the recommendation will be based entirely on an analysis of the overall impact of the amendments, and the EPSC evaluation will be shown for informational purposes.</li> </ul> <p>Vote <b>case-by-case</b> on all other proposals to amend cash incentive plans. This includes plans presented to shareholders for the first time after the company's IPO and/or proposals that bundle material amendment(s) other than those for Section 162(m) purposes.</p> <p>Vote <b>against</b> proposals to amend executive cash, stock, or cash and stock incentive plans if the proposal:</p> <ul style="list-style-type: none"> <li>- Seeks approval for Section 162(m) purposes only, and the plan administering committee does not consist entirely of independent outsiders.</li> </ul>

Employee Stock Purchase Plans (ESPPs)	<p><b>Qualified Plans</b></p> <p>Vote <b>case-by-case</b> on qualified employee stock purchase plans.</p> <p>Vote <b>for</b> employee stock purchase plans where all of the following apply:</p> <ul style="list-style-type: none"> <li>-Purchase price is at least 85 percent of fair market value;</li> <li>-Offering period is 27 months or less; and</li> <li>-The number of shares allocated to the plan is ten percent or less of the outstanding shares.</li> </ul> <p>Vote <b>against</b> qualified employee stock purchase plans where any of the following apply:-Purchase price is less than 85 percent of fair market value; or</p> <ul style="list-style-type: none"> <li>-Offering period is greater than 27 months; or</li> <li>-The number of shares allocated to the plan is more than ten percent of the outstanding shares.</li> </ul>
Employee Stock Purchase Plans (ESPPs)	<p><b>Non-Qualified Plans</b></p> <p>Vote <b>for</b> nonqualified employee stock purchase plans with all the following features:</p> <ul style="list-style-type: none"> <li>-Broad-based participation (i.e., all employees of the company with the exclusion of individuals with 5 percent or more of beneficial ownership of the company);</li> <li>-Limits on employee contribution, which may be a fixed dollar amount or expressed as a percent of base salary;</li> <li>-Company matching contribution up to 25 percent of employee's contribution, which is effectively a discount of 20 percent from market value; and</li> <li>-No discount on the stock price on the date of purchase since there is a company matching contribution.</li> </ul>
Employee Stock Ownership Plans (ESOPs)	<p>Vote <b>for</b> proposals to implement an ESOP or increase authorized shares for existing ESOPs, unless the number of shares allocated to the ESOP is excessive (more than five percent of outstanding shares).</p>



<b>Option Exchange Programs/Repricing Options</b>	<p>Vote <b>case-by-case</b> on management proposals seeking approval to exchange/reprice options.</p> <p>Vote <b>for</b> shareholder proposals to put option repricings to a shareholder vote.</p>
<b>Stock Plans in Lieu of Cash</b>	<p>Vote <b>case-by-case</b> on plans that provide participants with the option of taking all or a portion of their cash compensation in the form of stock.</p> <p>Vote <b>for</b> non-employee director-only equity plans that provide a dollar-for-dollar cash-for-stock exchange.</p> <p>Vote <b>case-by-case</b> on plans which do not provide a dollar-for-dollar cash for stock exchange. In cases where the exchange is not dollar-for-dollar, the request for new or additional shares for such equity program will be considered using the binomial option pricing model.</p>
<b>Transfer Stock Option (TSO) Programs</b>	<p>Vote <b>case-by-case</b> on one-time transfers. Vote <b>for</b> if: (i) Executive officers and non-employee directors are excluded from participating; (ii) Stock options are purchased by third-party financial institutions at a discount to their fair value using option pricing models such as Black-Scholes or a Binomial Option Valuation or other appropriate financial models; and (iii) There is a two-year minimum holding period for sale proceeds (cash or stock) for all participants.</p> <p>Vote <b>against</b> equity plan proposals if the details of ongoing TSO programs are not provided to shareholders.</p>
<b>401(k) Employee Benefit Plans</b>	Vote <b>for</b> proposals to implement a 401(k) savings plan for employees.
<b>Severance Agreements for Executives/Golden Parachutes</b>	<p>Vote on a <b>case-by-case</b> basis on proposals to ratify or cancel golden parachutes. An acceptable parachute should include, but is not limited to, the following:</p> <ul style="list-style-type: none"> <li>- The triggering mechanism should be beyond the control of management;</li> <li>- The amount should not exceed 2.8 times base amount (defined as the average annual taxable W-2 compensation during the two years prior to the year in which the change of control occurs;</li> <li>- Change-in-control payments should be double-triggered, i.e., (1) after a change in control has taken place, and (2) termination of the executive as a result of the change in control.</li> </ul>

<b>Director Compensation</b>	
<b>Shareholder Ratification of Director Pay Programs/ Equity Plans for Non-Employee Directors/ Outside Director Stock Awards / Options in Lieu of Cash</b>	Generally vote <b>against</b> unreasonable compensation packages. Vote <b>against</b> Director Pay Programs if outside director compensation exceeds \$100,000-
<b>Director Retirement Plans</b>	<p>Vote <b>against</b> retirement plans for non-employee directors.</p> <p>Vote <b>for</b> shareholder proposals to eliminate retirement plans for non-employee directors.</p>
<b>Shareholder Proposals on Compensation</b>	
<b>Increase Disclosure of Executive Compensation</b>	Vote <b>for</b> shareholder proposals seeking increased disclosure on executive compensation issues including the preparation of a formal report on executive compensation practices and policies.
<b>Limit Executive Compensation</b>	<p>Vote <b>for</b> proposals to prepare reports seeking to compare the wages of a company's lowest paid worker to the highest paid workers.</p> <p>Vote <b>case-by-case</b> on proposals that seek to establish a fixed ratio between the company's lowest paid workers and the highest paid workers.</p>
<b>Stock Ownership Requirements</b>	Generally vote <b>against</b> shareholder proposals that mandate a minimum amount of stock that directors must own in order to qualify as a director or to remain on the board.
	Vote <b>for</b> shareholder proposals seeking to limit repricing.

<b>Prohibit/Require Shareholder Approval for Option Repricing</b>	Vote <b>for</b> shareholder proposals asking the company to have option repricings submitted for shareholder ratification.
<b>Severance Agreements/ Golden Parachutes</b>	Vote <b>for</b> shareholder proposals requiring that golden parachutes or executive severance agreements be submitted for shareholder ratification, unless the proposal requires shareholder approval prior to entering into employment contracts.
<b>Cash Balance Plans</b>	Vote <b>for</b> shareholder proposals calling for non-discrimination in retirement benefits. Vote <b>for</b> shareholder proposals asking a company to give employees the option of electing to participate in either a cash balance plan or in a defined benefit plan.
<b>Performance-Based Equity Awards</b>	Vote <b>case-by-case</b> on shareholder proposal requesting that a significant amount of future long-term incentive compensation awarded to senior executives shall be performance-based and requesting that the board adopt and disclose challenging performance metrics to shareholders.
<b>Pay for Superior Performance</b>	<b>Generally vote for</b> shareholder proposals based on a case-by-case analysis that requests the board establish a pay-for-superior performance standard in the company's executive compensation plan for senior executives.
<b>Link Compensation to Non-Financial Factors</b>	Vote <b>for</b> shareholder proposals calling for linkage of executive pay to sustainability factors including performance against social and environmental goals, customer/employee satisfaction, corporate downsizing, community involvement, human rights, or predatory lending. Vote <b>for</b> shareholder proposals seeking reports on linking executive pay to non-financial factors.
<b>Advisory Vote on Executive Compensation (Say-on-Pay) Shareholder Proposals</b>	<b>Generally vote for</b> shareholder proposals that call for non-binding shareholder ratification of the compensation of the Named Executive Officers and the accompanying narrative disclosure of material factors provided to understand the Summary Compensation Table.
<b>Employment Termination Prior to Severance Payment and Eliminating Accelerated Vesting of Unvested Equity</b>	Vote <b>case-by-case</b> on shareholder proposals seeking a policy requiring termination of employment prior to severance payment, and eliminating accelerated vesting of unvested equity. The following factors will be taken into regarding this policy: (i) The company's current treatment of equity in change-of-control situations (i.e., is it double triggered, does it allow for the assumption of equity by acquiring company, the treatment of performance shares); and (ii) Current employment agreements, including potential problematic pay practices such as gross-ups embedded in those agreements. <b>Generally vote for</b> proposals seeking a policy that prohibits acceleration of the vesting of equity awards to senior executives in the event of a change in control (except for pro rata vesting considering the time elapsed and attainment of any related performance goals between the award date and the change in control).
<b>Tax Gross-Up Proposals</b>	<b>Generally vote for</b> proposals calling for companies to adopt a policy of not providing tax gross-up payments to executives, except in situations where gross-ups are provided pursuant to a plan, policy, or arrangement applicable to management employees of the company, such as a relocation or expatriate tax equalization policy.
<b>Compensation Consultants - Disclosure of Board or Company's Utilization</b>	<b>Generally vote for</b> shareholder proposals seeking disclosure regarding the Company, Board, or Compensation Committee's use of compensation consultants, such as company name, business relationship(s) and fees paid.
<b>Golden Coffins/Executive Death Benefits</b>	<b>Generally vote for</b> proposals calling companies to adopt a policy of obtaining shareholder approval for any future agreements and corporate policies that could oblige the company to make payments or awards following the death of a senior executive in the form of unearned salary or bonuses, accelerated vesting or the continuation in force of unvested equity grants, perquisites and other payments or awards made in lieu of compensation.

<b>Recoup Bonuses</b>	<b>Vote on a case-by-case</b> on proposals to recoup unearned incentive bonuses or other incentive payments made to senior executives if it is later determined that the figures upon which incentive compensation is earned later turn out to have been in error.
<b>Adopt Anti-Hedging/Pledging/Speculative Investment Policy</b>	<b>Generally vote for</b> proposals seeking a policy that prohibits named executive officers from engaging in derivative or speculative transactions involving company stock, including hedging, holding stock in a margin account, or pledging stock as collateral for a loan.
<b>Bonus Banking</b>	Vote <b>case-by-case</b> on proposals seeking deferral of a portion of annual bonus pay, with ultimate payout linked to sustained results for the performance metrics on which the bonus was earned (whether for the named executive officers or a wider group of employees).
<b>Hold Equity Past Retirement or for a Significant Period of Time</b>	Vote <b>case-by-case</b> on shareholder proposals asking companies to adopt policies requiring senior executive officers to retain a portion of net shares acquired through compensation plans. The following factors will be taken into account: <ul style="list-style-type: none"> <li>- The percentage/ratio of net shares required to be retained;</li> <li>- The time period required to retain the shares;</li> <li>- Whether the company has equity retention, holding period, and/or stock ownership requirements in place and the robustness of such requirements;</li> <li>- Whether the company has any other policies aimed at mitigating risk taking by executives;</li> <li>- Executives' actual stock ownership and the degree to which it meets or exceeds the proponent's suggested holding period/retention ratio or the company's existing requirements; and</li> <li>- Problematic pay practices, current and past, which may demonstrate a short-term versus long-term focus.</li> </ul>
<b>Non-Deductible Compensation</b>	<b>Generally vote for</b> proposals seeking disclosure of the extent to which the company paid non-deductible compensation to senior executives due to Internal Revenue Code Section 162(m), while considering the company's existing disclosure practices.
<b>Pre-Arranged Trading Plans (10b5-1 Plans)</b>	<b>Generally vote for</b> shareholder proposals calling for certain principles regarding the use of prearranged trading plans (10b5-1 plans) for executives.
<b>Mergers and Corporate Restructurings</b>	
<b>Mergers and Acquisitions</b>	Votes on mergers and acquisitions are considered on a <b>case-by-case</b> basis. A review and evaluation of the merits and drawbacks of the proposed transaction is conducted, balancing various and sometimes countervailing factors, including valuation, market reaction, strategic rationale, negotiations and process, conflicts of interest, governance, and social and environmental stakeholder impact.
<b>Corporate Reorganization/Restructuring Plans (Bankruptcy)</b>	Vote <b>case-by-case</b> on proposals to common shareholders on bankruptcy plans of reorganization.
<b>Special Purpose Acquisition Corporations (SPACs)</b>	Vote <b>case-by-case</b> on SPAC mergers and acquisitions taking into account valuation, market reaction, deal timing, negotiations and process, conflicts of interest, voting agreements, governance, and stakeholder impact.
<b>Special Purpose Acquisition Corporations (SPACs) - Proposals for Extensions</b>	Vote <b>case-by-case</b> on SPAC extension proposals taking into account the length of the requested extension, the status of any pending transaction(s) or progression of the acquisition process, any added incentive for non-redeeming shareholders, and any prior extension requests.
<b>Spin-Offs</b>	Votes on spin-offs should be considered on a <b>case-by-case</b> basis depending on the tax and regulatory advantages, planned use of sale proceeds, valuation of spinoff, fairness opinion, benefits to the parent company, conflicts of interest, managerial incentives, corporate governance changes, and changes in the capital structure.

<b>Asset Purchases</b>	Votes on asset purchase proposals should be made on a <b>case-by-case</b> after considering the purchase price, fairness opinion, financial and strategic benefits, how the deal was negotiated, conflicts of interest, other alternatives for the business, non-completion risk; particular attention will be paid to purchases relating to controversial activities, including alcohol, tobacco, weapons, gambling, fossil fuels, nuclear power, pesticides, for profit prisons).
<b>Asset Sales</b>	Votes on asset sales should be made on a <b>case-by-case</b> basis after considering the impact on the balance sheet/working capital, value received for the asset, potential elimination of diseconomies, anticipated financial and operating benefits, anticipated use of funds, fairness opinion, how the deal was negotiated, and conflicts of interest.
<b>Liquidations</b>	Votes on liquidations should be made on a <b>case-by-case</b> basis after reviewing management's efforts to pursue other alternatives, appraisal value of assets, and the compensation plan for executives managing the liquidation. Vote <b>for</b> the liquidation if the company will file for bankruptcy if the proposal is not approved.
<b>Joint Ventures</b>	Vote <b>case-by-case</b> on proposals to form joint ventures, taking into account percentage of assets/business contributed, percentage ownership, financial and strategic benefits, governance structure, conflicts of interest, other alternatives, non-completion risk, and evaluation of priorities identified in the Domini Impact Investment Standards.
<b>Appraisal Rights</b>	Vote <b>for</b> proposals to restore, or provide shareholders with, rights of appraisal.
<b>Going Private/Dark Transactions (LBOs and Minority Squeeze-Outs)</b>	Vote <b>case-by-case</b> on going private transactions, taking into account the following: offer price/premium, fairness opinion, how the deal was negotiated, conflicts of interest, other alternatives/offers considered, and non-completion risk. Vote <b>case-by-case</b> on "going dark" transactions, determining whether the transaction enhances shareholder value.
<b>Private Placements/Warrants/Convertible Debentures</b>	Vote <b>case-by-case</b> on proposals regarding private placements. Vote <b>for</b> the private placement if it is expected that the company will file for bankruptcy if the transaction is not approved.
<b>Formation of Holding Company</b>	Vote <b>case-by-case</b> on proposals regarding the formation of a holding company, taking into consideration the reasons for the change, any financial or tax benefits, regulatory benefits, increases in capital structure, and changes to the articles of incorporation or bylaws of the company. Vote <b>against</b> the formation of a holding company if the transaction would include increases in common or preferred stock in excess of the allowable maximum, or adverse changes in shareholder rights.
<b>Value Maximization Shareholder Proposals</b>	Vote <b>case-by-case</b> on shareholder proposals seeking to maximize shareholder value by hiring a financial advisor to explore strategic alternatives, selling the company or liquidating the company and distributing the proceeds to shareholders.
<b>Public Benefit Corporation</b>	Generally vote <b>for</b> proposals to convert to public benefit corporation, or "B-Corp". Vote <b>for</b> any proposal requesting a feasibility study, analysis or report on such a conversion.
<b>Report on Externalities</b>	Vote <b>for</b> proposals requesting reporting on externalized costs of corporate practices and consequences for diversified investors.

Social & Environmental Proposals	
Diversity and Equality	
<b>Add Women and Persons from Historically Underrepresented Groups to Board</b>	<p>Vote <b>for</b> shareholder proposals that ask the company to take steps to nominate more women and persons from historically underrepresented groups and protected classes to the board.</p> <p>Vote <b>for</b> shareholder proposals asking for reports on board diversity.</p> <p>Vote <b>for</b> shareholder proposals asking companies to adopt nomination charters or amend existing charters to include reasonable language addressing diversity.</p>
<b>Report on the Distribution of Stock Options by Gender and Race</b>	Vote <b>for</b> shareholder proposals asking companies to report on the distribution of stock options by race and gender of the recipient.
<b>Racial Equity</b>	Vote <b>for</b> shareholder proposals requesting disclosures, reporting, and/or an audit in support of increased racial equity.
<b>Prepare Report/Promote EEOC-Related Activities</b>	<p>Vote <b>for</b> shareholder proposals that ask the company to report on its diversity and/or affirmative action programs, including annual requests.</p> <p>Vote <b>for</b> shareholder proposals calling for legal and regulatory compliance and public reporting related to non-discrimination, affirmative action, workplace health and safety, and labor policies and practices that effect long-term corporate performance.</p> <p>Vote <b>for</b> shareholder proposals requesting nondiscrimination in salary, wages and all benefits.</p> <p>Vote <b>for</b> shareholder proposals calling for action on equal employment opportunity and antidiscrimination.</p>
<b>Report on Progress Toward Glass Ceiling Commission Recommendations</b>	<p>Vote <b>for</b> shareholder proposals that ask the company to report on its progress against the Glass Ceiling Commission's recommendations.</p> <p>Vote <b>for</b> shareholder proposals seeking to eliminate the "glass ceiling" for women and persons from historically underrepresented groups employees.</p>
<b>Prohibit Discrimination on the Basis of Sexual Orientation or Gender Identity</b>	<p>Vote <b>for</b> shareholder proposals to include language in EEO statements specifically barring discrimination on the basis of sexual orientation or gender identity.</p> <p>Vote <b>for</b> shareholder proposals asking for policies to eliminate discrimination on the basis of sexual orientation or gender identity/and or expression and <b>for</b> proposals seeking reports on a company's initiatives to create a workplace free of discrimination on the basis of sexual orientation or gender identity and expression.</p> <p>Vote <b>against</b> shareholder proposals that seek to eliminate protection already afforded to lesbian, gay, bisexual, transgender, queer/questioning, intersex and asexual (LGBTQIA) employees.</p>
<b>Report on/Eliminate Use of Racial Stereotypes in Advertising</b>	Vote <b>for</b> shareholder proposals seeking more careful consideration of using racial stereotypes in advertising campaigns, including preparation of a report on this issue.
<b>Pay Gap</b>	Vote <b>for</b> requests for reports on a company's pay data by gender, race, ethnicity or other protected class a report on a company's policies and goals to reduce any such pay gap.

<b>Labor and Human Rights</b>	
<b>Human Rights Due Diligence, Worker Rights, including Operations and Supply Chain</b>	<p>Vote <b>for</b> shareholder proposals to implement human rights standards and workplace codes of conduct.</p> <p>Vote <b>for</b> shareholder proposals calling for the implementation and reporting on the UN Guiding Principles on Business and Human Rights, ILO codes of conduct, human rights due diligence, and other standards to improve human rights and worker rights.</p> <p>Vote <b>for</b> shareholder proposals that call for the adoption of principles, enhanced due diligence, or codes of conduct relating to company investments or operations in countries with patterns of human rights abuses or in conflict-affected or high-risk areas.</p> <p>Vote <b>for</b> shareholder proposals that call for independent monitoring programs in conjunction with local and respected religious and human rights groups to monitor human rights practices, supplier and licensee compliance with codes.</p>
	<p>Vote <b>for</b> shareholder proposals that seek publication of a “Code of Conduct” to the company’s foreign suppliers and licensees, requiring they satisfy all applicable standards and laws protecting employees’ wages, benefits, working conditions, freedom of association, and other rights.</p> <p>Vote <b>for</b> proposals requesting that a company conduct an assessment of the human rights risks in its operations or in its supply chain, or report on its human rights risk assessment process.</p> <p>Vote <b>for</b> proposals requesting that a company adopt a “Worker-Driven Social Responsibility” approach to human rights due diligence, e.g., the Fair Food Program, Milk With Dignity, etc., or related disclosures or feasibility assessments.</p> <p>Vote <b>for</b> shareholder proposals seeking reports on, or the adoption of, vendor standards including: reporting on incentives to encourage suppliers to raise standards rather than terminate contracts and providing public disclosure of contract supplier reviews on a regular basis.</p> <p>Vote <b>for</b> shareholder proposals to adopt labor standards for foreign and domestic suppliers to ensure that the company will not do business with foreign suppliers that manufacture products for sale in the U.S. using forced labor, child labor, or that fail to comply with applicable laws protecting employee’s wages and working conditions.</p>
<b>Community Impact Assessment / Indigenous Peoples’ Rights</b>	<p>Vote <b>for</b> shareholder proposals to prepare reports on a company’s environmental and health impact on communities.</p> <p>Vote <b>for</b> proposals requesting increased disclosure on a company’s strategy or goals to engage with workers, communities, or other stakeholders on a “just transition”.</p> <p>Vote <b>for</b> shareholder proposals requesting a company adopt a policy to respect the rights of Indigenous Peoples in their operations, business partnerships, supply chains or financial investments.</p> <p>Vote <b>for</b> proposals requesting companies commit to or seek free, prior and informed consent of Indigenous Peoples that may be impacted by the business or supply chain.</p>
<b>Report on Risks of Outsourcing</b>	Vote <b>for</b> shareholders proposals asking for companies to report on the risks associated with outsourcing or off-shoring.
<b>Report on the Impact of Health Pandemics on Company Operations</b>	Vote <b>for</b> shareholder proposals asking for companies to report on the impact of pandemics and public health crises on their business strategies.
<b>Mandatory Arbitration</b>	<b>Generally vote for</b> requests for a report on a company’s use of mandatory arbitration on employment-related claims.

<b>Sexual Harassment</b>	<b>Generally vote for</b> requests for a report on company actions taken to strengthen policies and oversight to prevent workplace sexual harassment, or a report on risks posed by a company's failure to prevent workplace sexual harassment.	
<b>Operations in High Risk Markets</b>	<b>Reports on Operations in Burma/Myanmar</b>	Vote <b>for</b> shareholder proposals to adopt labor standards in connection with involvement in Burma. Vote <b>for</b> shareholder proposals seeking reports on Burmese operations and reports on costs of continued involvement in the country. Vote shareholder proposals to pull out of Burma on a <b>case-by-case</b> basis.
	<b>Reports on Operations in China</b>	Vote <b>for</b> shareholder proposals requesting more disclosure on a company's involvement in China. Vote on a <b>case-by-case</b> basis shareholder proposals that ask a company to terminate a project or investment in China.
	<b>Product Sales to Repressive Regimes</b>	Vote <b>case-by-case</b> on shareholder proposals requesting that companies cease product sales to repressive regimes that can be used to violate human rights. Vote <b>for</b> proposals to report on company efforts to reduce the likelihood of product abuses in this manner.

<b>Internet Privacy/Censorship and Data Security</b>	Vote <b>for</b> resolutions requesting the disclosure and implementation of Internet privacy and censorship policies and procedures.
<b>Technology, Privacy, and Data</b>	Vote <b>for</b> proposals seeking greater disclosure and oversight of emerging technology, surveillance, biometric surveillance tools and artificial intelligence.
	Vote <b>for</b> proposals seeking disclosure or oversight of the potential impacts of technology or surveillance on human rights, including disproportionate impacts on communities of color, human rights defenders, or other vulnerable groups.
	Vote <b>for</b> increased disclosure and oversight on data collection, use, and privacy protections.
<b>Disclosure on Plant Closings</b>	Vote <b>for</b> shareholder proposals seeking greater disclosure on plant closing criteria if the company has not provided such information.
<b>Environment</b>	
<b>Environmental/Sustainability Reports</b>	Vote <b>for</b> shareholder proposals seeking greater disclosure on the company's environmental practices, environmental justice, and/or environmental risks, liabilities, impacts and due diligence.  Vote <b>for</b> shareholder proposals asking companies to report in accordance with the Global Reporting Initiative (GRI).  Vote <b>for</b> shareholder proposals to prepare a sustainability report.  Vote <b>for</b> shareholder proposals to study or implement the CERES principles.  Vote <b>for</b> shareholder proposals to study or implement the Equator Principles.
<b>Climate Change/Greenhouse Gas Emissions</b>	We vote <b>for</b> shareholder proposals seeking improved climate change disclosure to align with a 1.5 C scenario.  Vote <b>for</b> shareholder proposals seeking a TCFD (Taskforce on Climate-related Financial Disclosures) or seeking information on the financial, physical, or regulatory risks it faces related to climate change on its operations and investments, or on how the company identifies, measures, and manage such risks.  Vote <b>for</b> shareholder proposals calling for the reduction of GHG or adoption of GHG goals in products and operations, including "Say on Climate" proposals.

	<p>Vote <b>for</b> shareholder proposals seeking reports on public policy alignment with a 1.5 C scenario, responses to regulatory and public pressures surrounding climate change, and for disclosure of research that aided in setting company policies around climate change.</p> <p>Vote <b>for</b> shareholder proposals requesting a report on greenhouse gas emissions from company operations and/or products.</p> <p>Vote <b>for</b> proposals requesting increased disclosure on a company’s strategy or goals to engage with workers, communities, or other stakeholders on a “just transition”.</p>
<b>Invest in Clean/Renewable Energy</b>	<p>Vote <b>for</b> shareholder proposals seeking the preparation of a report on a company’s activities related to the development of renewable energy sources.</p> <p>Vote <b>for</b> shareholder proposals seeking increased investment in renewable energy sources unless the terms of the resolution are overly restrictive.</p>
<b>Energy Efficiency</b>	Vote <b>for</b> shareholder proposals requesting a report on company energy efficiency policies and/or goals.
<b>Operations in Protected/Sensitive Areas</b>	<p>Vote <b>for</b> requests for reports on potential risks, impacts, dependencies, and environmental damage as a result of company operations in protected regions.</p> <p>Vote <b>for</b> shareholder proposals asking companies to prepare a feasibility report or to adopt a policy not to conduct operations (e.g., mine, drill, or log) in environmentally sensitive areas.</p> <p>Vote <b>for</b> shareholder proposals seeking to prohibit or reduce the sale of products manufactured from materials extracted from environmentally sensitive areas such as old growth forests or International Union for Conservation of Nature (IUCN) protected areas.</p>
<b>Environmental risk exposure</b>	Vote <b>for</b> requests seeking greater transparency on environmental risk exposure, such as the practice of hydraulic fracturing, oil and gas or resource extraction, and its associated risks.
<b>Chemicals</b>	<p>Vote <b>for</b> shareholder proposals to evaluate, address, or manage, or phase out hazardous chemicals and chemicals of concern.</p> <p>Vote on a <b>case-by-case</b> basis on shareholder proposals asking companies to cease or phase-out hazardous chemicals or chemicals of concern.</p>
<b>Land Procurement and Development</b>	Vote <b>for</b> shareholder proposals requesting that companies report on or adopt policies for land procurement and utilize the policies in their decision-making.
<b>Biodiversity, Deforestation and Forest Value Creators</b>	<p>Vote <b>for</b> shareholder proposals requesting companies evaluate or address biodiversity risks, impacts or dependencies. Vote <b>for</b> proposals seeking additional disclosure on biodiversity, including disclosure aligned with the Taskforce on Nature Related Financial Disclosures.</p> <p>Vote <b>for</b> shareholder proposals requesting companies adopt No Deforestation, No Peat, No Exploitation (NDPE) policies, set targets, pursue certifications or otherwise seek to avoid or minimize deforestation risks in their operations or supply chains, especially through their sourcing of forest-risk commodities like soy, palm oil, cattle, and paper/pulp. Vote <b>for</b> shareholder proposals requesting related disclosures.</p> <p>Vote <b>for</b> shareholder proposals requesting companies adopt forest positive business strategies.</p>
<b>Report on the Sustainability of agriculture and Concentrated Area Feeding Operations (CAFO)</b>	Vote <b>for</b> requests that companies report on the sustainability and the environmental impacts of agricultural activity, including both company-owned and contract livestock operations.
<b>Adopt a Comprehensive Circular Economy and Recycling Policy</b>	<p>Vote <b>for</b> shareholder proposals requesting the preparation of a report on a company’s approach to circular economy, material recycling, or recycling efforts.</p> <p>Vote <b>for</b> shareholder proposals that ask companies to increase their recycling efforts or to adopt a formal recycling policy.</p>



<b>Nuclear Energy</b>	<p>Vote <b>for</b> shareholder proposals seeking the preparation of a report on a company's nuclear energy procedures.</p> <p>Vote <b>for</b> on proposals that ask the company to cease the production of nuclear power.</p>
<b>Water Risks and Water Use</b>	<p>Vote <b>for</b> shareholder proposals seeking the preparation of a report on a company's risks linked to water use, physical climate risk, and water stress.</p> <p>Vote <b>for</b> resolutions requesting companies to promote the "human right to water" as articulated by the United Nations.</p> <p>Vote <b>for</b> shareholder proposals requesting that companies report on or adopt policies for water use that incorporate social and environmental factors.</p>
<b>Health and Safety</b>	
<b>Chemicals, Hazardous substances, and Toxic Materials</b>	<p>Vote <b>for</b> shareholder proposals to evaluate, address, or manage, or disclose hazardous chemicals and chemicals of concern.</p> <p>Vote on a <b>case-by-case</b> basis on shareholder proposals asking companies to cease or phase-out hazardous chemicals or chemicals of concern.</p> <p>Vote <b>for</b> shareholder proposals asking companies to report on policies and activities to ensure product safety.</p>

	<p>Vote <b>for</b> shareholder proposals asking companies to disclose annual expenditures relating to the promotion and/or environmental cleanup of toxins.</p> <p>Vote <b>for</b> shareholder proposals asking companies to report on the feasibility of removing, or substituting with safer alternatives, all "harmful" ingredients used in company products.</p>
<b>Product Safety</b>	<p><b>Generally vote for</b> proposals requesting the company to report on or adopt consumer product safety policies and initiatives.</p> <p><b>Generally vote for</b> proposals requesting the study, adoption and/or implementation of consumer product safety programs in the company's supply chain.</p>
<b>Workplace/Facility Safety</b>	<p>Vote <b>for</b> shareholder proposals requesting workplace safety reports, including reports on accident risk reduction efforts.</p> <p>Vote shareholder proposals requesting companies report on or implement procedures associated with their operations and/or facilities on a <b>case-by-case</b> basis.</p> <p><b>Generally vote for</b> shareholder proposals seeking to establish provision of paid leave to employees or requesting related disclosure or a feasibility study of such an action, with particular attention to situations where such a policy would impact public health or workplace safety.</p>
<b>Report on Firearm Safety Initiatives</b>	<p>Vote <b>for</b> shareholder proposals asking the company to report on its efforts to promote firearm safety.</p> <p>Vote <b>for</b> shareholder proposals asking the company to stop the sale of firearms and accessories.</p>
<b>Phase-Out or Label Products Containing Genetically Engineered Ingredients</b>	<p>Vote <b>case-by-case</b> basis for shareholder proposals to label products that contain genetically engineered products or products from cloned animals.</p> <p>Vote <b>case-by-case</b> basis for shareholder proposals that ask the company to phase out the use of genetically engineered ingredients in their products.</p> <p>Vote <b>for</b> shareholder proposals that ask the company to report on the use of genetically engineered organisms in their products.</p> <p>Vote <b>for</b> shareholder proposals asking for reports on the financial, legal, and operational risks posed by the use of genetically engineered organisms.</p>
<b>Tobacco-Related Proposals</b>	<p>Vote <b>for</b> shareholder proposals seeking to limit the sale of tobacco products to children.</p> <p>Vote <b>for</b> shareholder proposals asking producers of tobacco product components (such as filters, adhesives, flavorings, and paper products) to halt sales to tobacco companies.</p>

	<p>Vote <b>for</b> shareholder proposals that ask restaurants to adopt smoke-free policies and that ask tobacco companies to support smoke-free legislation.</p> <p>Vote <b>for</b> shareholder proposals seeking a report on a tobacco company's advertising approach.</p> <p>Vote <b>for</b> shareholder proposals at insurance companies to cease investment in tobacco companies.</p> <p>Vote <b>for</b> proposals at producers of cigarette components calling for a report outlining the risks and potential liabilities of the production of these components.</p> <p>Vote <b>for</b> proposals calling for tobacco companies to cease the production of tobacco products.</p> <p>Vote <b>for</b> shareholder proposals asking companies to stop all advertising, marketing and sale of cigarettes using the terms "light," "ultra-light," "mild," and other similar words and/or colors.</p> <p>Vote <b>for</b> shareholder proposals asking companies to increase health warnings on cigarette smoking. (i.e.: information for pregnant women, "Canadian Style" warnings, filter safety).</p>
<b>Adopt Policy/Report on Drug Pricing</b>	<p>Vote <b>for</b> shareholder proposals to prepare a report on drug pricing, access, and affordability.</p> <p>Vote <b>for</b> shareholder proposals to adopt a formal policy on drug pricing or increase access and affordability.</p> <p>Vote <b>for</b> shareholder proposals that call on companies to develop a policy to provide affordable HIV, AIDS, tuberculosis, malaria, or other drugs and vaccines in low- and middle-income countries.</p> <p>Vote <b>for</b> proposals asking for reports on the economic effects and legal risks of limiting pharmaceutical products to Canada or certain wholesalers.</p> <p>Vote <b>case-by-case</b> proposals requesting that companies adopt policies not to constrain prescription drug re-importation by limiting supplies to foreign markets.</p>
<b>Government and Military</b>	
<b>Prepare Report to Renounce Future Landmine Production</b>	Vote <b>for</b> shareholder proposals seeking a report on the renouncement of future landmine production.
<b>Prepare Report on Foreign Military Sales</b>	<p>Vote <b>for</b> shareholder proposals to report on foreign military sales or offset agreements.</p> <p>Vote <b>case-by-case</b> on proposals that call for outright restrictions on foreign military sales.</p>
<b>Depleted Uranium/Nuclear Weapons</b>	Vote <b>for</b> shareholder proposals requesting a report on involvement, policies, and procedures related to depleted uranium and nuclear weapons.
<b>Adopt Ethical Criteria for Weapons Contracts</b>	Vote <b>for</b> shareholder proposals asking companies to review and amend, if necessary, the company's code of conduct and statements of ethical criteria for military production-related contract bids, awards and execution.
<b>Animal Welfare</b>	
<b>Animal Rights/Testing</b>	<p>Vote <b>for</b> shareholder proposals that seek to limit unnecessary animal testing where alternative testing methods are feasible or not barred by law.</p> <p>Vote <b>for</b> shareholder proposals that ask companies to adopt and/or report on company animal welfare standards or animal welfare-related risks.</p> <p>Vote <b>for</b> shareholder proposals asking companies to report on the operational costs and liabilities associated with selling animals.</p> <p>Vote <b>for</b> shareholder proposals to eliminate cruel product testing methods.</p>

	<p>Vote <b>for</b> shareholder proposals that seek to monitor, limit, report, or eliminate outsourcing animal testing to overseas laboratories.</p> <p>Vote <b>for</b> shareholder proposals to publicly adopt or adhere to an animal welfare policy at both company and contracted laboratory levels.</p> <p>Vote <b>for</b> shareholder proposals to evaluate, adopt or require suppliers to adopt CAK and/or CAS slaughter methods.</p>
<b>Political and Charitable Giving</b>	
<b>Lobbying Efforts</b>	<p>Vote <b>for</b> shareholder proposals asking companies to review and report on how companies utilize lobbying efforts to challenge scientific research and governmental legislation.</p> <p>Vote <b>for</b> proposals requesting information on a company's lobbying (including direct, indirect, and grassroots lobbying) activities, policies, or procedures.</p> <p>Vote <b>for</b> shareholder proposals asking companies to report on if and how lobbying activities are aligned with the goals of the Paris Climate Agreement or other key sustainability policy.</p>
<b>Political Contributions/Non-Partisanship</b>	<p>Vote <b>for</b> proposals calling for a company to disclose its political and trade association contributions, unless the terms of the proposal are unduly restrictive.</p> <p>Vote <b>for</b> proposals calling for a company to maintain a policy of non-partisanship.</p> <p>Vote <b>for</b> proposals calling for a company to refrain from making any political contributions.</p>

<b>Political Expenditures and Lobbying Congruency</b>	<p><b>Generally vote for</b> proposals requesting greater disclosure of a company's alignment of political contributions, lobbying, and electioneering spending with a company's publicly stated values and policies, unless the terms of the proposal are unduly restrictive.</p> <p>Additionally, consider whether:</p> <ul style="list-style-type: none"> <li>• The company's policies, management, board oversight, governance processes, and level of disclosure related to direct political contributions, lobbying activities, and payments to trade associations, political action committees, or other groups that may be used for political purposes;</li> <li>• The company's disclosure regarding: the reasons for its support of candidates for public offices; the reasons for support of and participation in trade associations or other groups that may make political contributions; and other political activities;</li> <li>• Any incongruencies identified between a company's direct and indirect political expenditures and its publicly stated values and priorities;</li> <li>• Recent significant controversies related to the company's direct and indirect lobbying, political contributions, or political activities.</li> </ul>
<b>Charitable Contributions</b>	<p><b>Generally vote for</b> shareholder resolutions seeking enhanced transparency on corporate philanthropy.</p> <p>Vote <b>against</b> shareholder proposals imposing charitable giving criteria or requiring shareholder ratification of grants.</p> <p>Vote <b>against</b> shareholder proposals requesting that companies prohibit charitable contributions.</p>
<b>Disclosure on Prior Government Service</b>	<p>Vote <b>for</b> shareholder proposals calling for the disclosure of prior government service of the company's key executives.</p>

## Consumer Lending and Economic Development

<b>Adopt Policy/Report on Predatory Lending Practices</b>	<p>Vote <b>for</b> shareholder proposals seeking the development of a policy or preparation of a report to guard against predatory lending practices or practices that harm historically underserved communities or communities of color.</p>
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<b>Disclosure on Credit in Developing Countries (LDCs) or Forgive LDC Debt</b>	<p>Vote <b>for</b> shareholder proposals asking for disclosure on lending practices in developing countries, unless the company has demonstrated a clear proactive record on the issue.</p> <p>Vote <b>case-by-case</b> on shareholder proposals asking for loan forgiveness at banks that have failed to make reasonable provisions for non-performing loans.</p> <p>Vote <b>for</b> proposals to restructure and extend the terms of non-performing loans.</p>
<b>Community Investing</b>	<p>Vote <b>for</b> proposals that seek a policy review or report addressing the company's community investing efforts.</p> <p>Vote <b>for</b> proposals that support increased lending or investing activities to further racial justice or address discrimination.</p>
<b>Miscellaneous</b>	
<b>Adult Entertainment</b>	Vote <b>for</b> shareholder proposals that seek a review of the company's involvement with pornography.
<b>Abortion/Right to Life Issues</b>	Vote <b>case-by-case</b> on shareholder proposals that address right to life issues.
<b>"Anti-Social" Proposals</b>	<p>Vote <b>against</b> shareholder proposals that do not seek to ultimately advance the goals of the social investment community.</p> <p>Vote <b>against</b> on anti-social shareholder proposals seeking a review or report on the company's charitable contributions.</p>
<b>Violence and Adult Themes in Video Games</b>	Vote <b>for</b> shareholder proposals asking for reports on company policies related to the sale of mature-rated video games to children and teens.
<b>Corporate Welfare</b>	Vote <b>for</b> resolutions that ask corporations to report the corporate welfare benefits they receive.
<b>Corporate Tax Avoidance</b>	Vote <b>for</b> proposals that seek disclosure of the policies and procedures that guide the company's global tax strategies.
<b>Minimum Wage Principles</b>	<p>Vote <b>for</b> proposals asking companies to adopt principles for minimum wage reform.</p> <p>Vote <b>for</b> proposals asking companies to report on their response to wealth inequality in our society.</p>
<b>Child Sexual Exploitation</b>	<p>Vote <b>for</b> proposals asking companies in the tourism service to report on and adopt policies prohibiting the sexual exploitation of minors on company premises.</p> <p>Vote <b>for</b> proposals seeking to protect children from sexual exploitation</p>
<b>Adopting or Amending Clawback Policies</b>	<p>Vote <b>for</b> on proposals asking companies to adopt or amend "clawback" policies.</p> <p>Vote <b>for</b> on proposals asking companies to disclose annually whether the Board recouped any incentive compensation from any senior executive using "clawback" policies.</p>
<b>Disclosure Related to Opioid Risks</b>	Vote <b>for</b> on proposals asking companies to disclose how the board monitors opioid-related risks.
<b>Routine Business</b>	
<b>Accept Financial Statements and Statutory Reports</b>	<p>Generally vote <b>for</b> approval of financial statements and director and auditor reports, unless the following apply, in which case we will vote on <b>case-by-case</b> basis:</p> <ul style="list-style-type: none"> <li>› There are concerns about the accounts presented or audit procedures used; or</li> <li>› The company is not responsive to shareholder questions about specific items that should be publicly disclosed.</li> </ul>

<b>Approve Allocation of Income and Dividends</b>	<p>Vote <b>for</b> approval of the allocation of income, unless:</p> <ul style="list-style-type: none"> <li>› The dividend payout ratio has been consistently below 30 percent without adequate explanation; or</li> <li>› The payout is excessive given the company's financial position.</li> </ul>
<b>Approve Dividends</b>	<p>Vote <b>for</b> approval of the allocation of income, unless:</p> <ul style="list-style-type: none"> <li>› The dividend payout ratio has been consistently below 30 percent without adequate explanation; or</li> <li>› The payout is excessive given the company's financial position.</li> </ul>
<b>Accept Consolidated Financial Statements and Statutory Reports</b>	<p>Generally vote <b>for</b> approval of financial statements and director and auditor reports, unless:</p> <ul style="list-style-type: none"> <li>› There are concerns about the accounts presented or audit procedures used; or</li> <li>› The company is not responsive to shareholder questions about specific items that should be publicly disclosed.</li> </ul>
<b>Approve Financial Statements, Allocation of Income, and Discharge Directors</b>	<p>Generally vote <b>for</b> discharge of directors, including members of the management board and/or supervisory board, unless there is reliable information about significant and compelling controversies that the board is not fulfilling its fiduciary duties such as the following, which we vote on <b>case-by-case</b> basis:</p> <ul style="list-style-type: none"> <li>› A lack of oversight or actions by board members which invoke shareholder distrust related to malfeasance or poor supervision, such as operating in private or company interest rather than in shareholder interest;</li> <li>› Any legal issues (e.g., civil/criminal) aiming to hold the board responsible for breach of trust in the past or related to currently alleged actions yet to be confirmed (and not only the fiscal year in question), such as price fixing, insider trading, bribery, fraud, and other illegal actions; or</li> <li>› Other egregious governance issues where shareholders will bring legal action against the company or its directors.</li> </ul>
<b>Other Business</b>	Generally vote <b>against</b> other business when it appears as a voting item
<b>Designate X as Independent Proxy</b>	Generally vote <b>for</b> designating an independent proxy in order to comply with local market legal framework in the absence of the significant concerns.
<b>Discuss/Approve Company's Corporate Governance Structure/Statement</b>	Approval of corporate governance codes is in the best interest of all company shareholders, SRI generally will vote <b>for</b> approving corporate governance statements in order to achieve full compliance with the local market code.
<b>Approve Stock Dividend Program</b>	<p>Vote <b>for</b> approval of the allocation of income, unless:</p> <ul style="list-style-type: none"> <li>› The dividend payout ratio has been consistently below 30 percent without adequate explanation; or</li> <li>› The payout is excessive given the company's financial position.</li> </ul>
<b>Receive/Approve Report/Announcement</b>	<p>Generally vote <b>for</b> approval of financial statements and director and auditor reports, unless the following, which we vote on <b>case-by-case</b> basis:</p> <ul style="list-style-type: none"> <li>› There are concerns about the accounts presented or audit procedures used; or</li> <li>› The company is not responsive to shareholder questions about specific items that should be publicly disclosed.</li> </ul>

<b>Change Company Name</b>	Generally vote <b>for</b> changing the corporate name unless there is compelling evidence that the change would adversely affect shareholder value.
<b>Change Location of Registered Office/Headquarters</b>	Generally vote <b>for</b> the approval of changes to office locations as long as the change is deemed to have no effect on the value of the share or on the rights of the company's shareholders.

<b>Approve/Amend Regulations on General Meetings</b>	The board should have some flexibility to adjust its businesses and respond to changing market conditions in a thoughtful manner. Domini will generally vote <b>for</b> adjustments to its business scope as long as the request is deemed reasonable.
<b>Amend Corporate Purpose</b>	Generally vote <b>for</b> amending the corporate purpose as long as these proposals are not deemed contentious and the management's rationale behind the amendments is satisfactory.
<b>Change Date/Location of Annual Meeting</b>	Generally vote <b>for</b> management proposals to change the date, time, or location of the annual meeting unless the proposed change is unreasonable. Vote on <b>case-by-case</b> basis on shareholder proposals to change the date, time, or location of the annual meeting unless the current scheduling or location is unreasonable.
<b>Allow Electronic Distribution of Company Communications</b>	Generally vote <b>for</b> this proposal given its routine nature.
<b>Approve Company's Membership in an Association/Organization</b>	Generally vote <b>for</b> this proposal given its routine nature.
<b>Approve Delisting of Shares from Stock Exchange</b>	Generally vote <b>for</b> this proposal given its routine nature.
<b>Approve Dividend Distribution Policy</b>	Vote <b>for</b> approval of the allocation of income, unless: › The dividend payout ratio has been consistently below 30 percent without adequate explanation; or › The payout is excessive given the company's financial position.
<b>Approve Investment and Financing Policy</b>	Generally vote <b>for</b> this proposal given its routine nature.
<b>Approve Listing of Shares on a Secondary Exchange</b>	Generally vote <b>for</b> this proposal given its routine nature.
<b>Approve Provision for Asset Impairment</b>	Generally vote <b>for</b> this proposal given its routine nature.
<b>Approve Provisionary Budget and Strategy for Fiscal Year 20XX</b>	Generally vote <b>for</b> this proposal given its routine nature.
<b>Approve Publication of Information in English</b>	Generally vote <b>for</b> this proposal given its routine nature.
<b>Approve Special/Interim Dividends</b>	Generally vote <b>for</b> this proposal given its routine nature.
<b>Approve Standard Accounting Transfers</b>	Generally vote <b>for</b> this proposal given its routine nature.

<p><b>Approve Suspension of Shares from Trading</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<p><b>Approve Treatment of Net Loss</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<p><b>Approve X as Trustee of the Trust</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<p><b>Change Fiscal Year End</b> Generally vote <b>for</b> resolutions to change a company's fiscal term unless a company's motivation for the change is to postpone its AGM.</p>
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<p><b>Ratify Past Allocation of Income and Dividends</b> Vote <b>for</b> approval of the allocation of income, unless:</p> <ul style="list-style-type: none"> <li>› The dividend payout ratio has been consistently below 30 percent without adequate explanation; or</li> <li>› The payout is excessive given the company's financial position.</li> </ul>
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### Formalities

<p><b>Authorize Filing of Required Documents/Other Formalities</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<p><b>Elect Chairman and/or Secretary of Meeting</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<p><b>Designate Inspector or Shareholder Representative(s) of Minutes of Meeting and/or Vote Tabulation</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<p><b>Approve Minutes of Previous Meeting</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<p><b>Authorize Board to Ratify and Execute Approved Resolutions</b> As this item is dependent on whether the other proposals on the ballot warrant support or opposition, it is evaluated on a <b>case-by-case</b> basis.</p>
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<p><b>Prepare and Approve List of Shareholders</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<p><b>Acknowledge Proper Convening of Meeting</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<p><b>Open Meeting</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<p><b>Approve Meeting Procedures</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<p><b>Close Meeting</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<p><b>Allow Questions</b> Generally vote <b>for</b> this proposal given its routine nature.</p>
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<b>Call the Meeting to Order</b>	Generally vote <b>for</b> this proposal given its routine nature.
<b>Approve XX XXX, 20XX, as Record Date for Effectiveness of X Resolution OR this Meeting's Resolutions</b>	Generally vote <b>for</b> this proposal given its routine nature.
<b>Designate Newspaper to Publish Meeting Announcements</b>	Generally vote for this proposal given its routine nature.
<b>In the Event of a Second Call, the Voting Instructions Contained in this Proxy Card may also be Considered for the Second Call</b>	Generally vote for this proposal given its routine nature.

**\*All Items not addressed in this matrix will be referred to Domini for voting instructions**