

Climate-led, impact leading.

We're on a mission to create a greater and greener world. By seeking companies that are developing innovative models, engaging to encourage change where we feel we can make a positive impact, and strengthening our commitment to advancing the UN Sustainable Development Goals, we'll uphold our firm's responsibility to allocate its capital and use its voice to create the world we want to see.

Climate change has systemic relevance across portfolios. Together, let's continue to invest with an awareness that environmental, social, and financial systems are linked.

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*The UN Sustainable Goals (SDGs)

In the five years since United Nations member states adopted the 2030 Agenda for Sustainable Development, the Sustainable Development Goals (SDGs) have been widely embraced by governments, civil society organizations, companies, and investors. The SDGs aim to address broad global topics such as poverty eradication, food security, protection of forests, sustainable cities and economic growth, gender equality, and climate change.

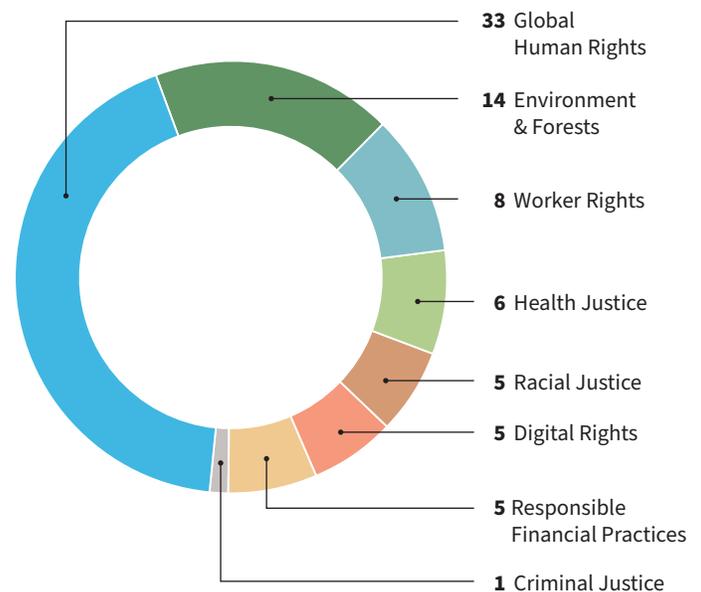
In each impact update, we'll feature a few of our engagements alongside an investment highlight and show you which SDGs these are aligned with.

	Goal 1: End poverty in all its forms everywhere
	Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture
	Goal 3: Ensure healthy lives and promote well-being for all at all ages
	Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
	Goal 5: Achieve gender equality and empower all women and girls
	Goal 6: Ensure availability and sustainable management of water and sanitation for all
	Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all
	Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
	Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
	Goal 10: Reduce inequality within and among countries
	Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable
	Goal 12: Ensure sustainable consumption and production patterns
	Goal 13: Take urgent action to combat climate change and its impacts
	Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development
	Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
	Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
	Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development

<https://sdgs.un.org/goals>

Engagement Overview

Domini meets with company executives on its own and in collaboration with other investors to encourage stronger policies and practices on the issues that matter to us. Aligned with our standards, we seek improved disclosure, more responsible practices, and address emerging issues with our companies. Through this constructive interaction – via letters, dialogues, shareholder proposals, and proxy votes – Domini communicates its expectations to companies and encourages innovation and business models that uphold respect for human rights while contributing to ecological sustainability and resilience.



Q3 Engagement Reach

77
Engagements

20
U.S. Companies

35
Non-U.S. Companies

Addressing Climate Change



Strong, effective public policy and investment from government at the international, national, and state level are essential to address the climate crisis. We expect to see governments evaluating and accelerating their commitments in anticipation of November's COP 26 climate talks in Glasgow. Domini has joined Global Investor Statements because we support ambitious climate and biodiversity commitments, including strong emissions standards. We spearheaded a letter backed by investors with \$1.5 trillion in assets under management, urging the passage of the CA Deforestation Free Procurement Act, which unfortunately did not get signed into law this legislative session.

Through engagements with **Toyota** and **Cummins**, we've also encouraged the auto industry to reduce its carbon footprint from transportation, expand its low-carbon business planning—including with customers, and make investments in battery development and electrified power trains.

The low-carbon transition will require significant shifts in the labor force, and we urge increased disclosure on human capital management in order to evaluate how workers and communities are being engaged and impacted in a just transition, including with **Eversource**. *Read more on our work in this area:* <https://www.domini.com/insights/climate-led-impact-leading>

Investment Highlight: Domini Impact International Fund

Vestas Wind Systems is a Danish company and a global leader in onshore wind turbine and systems with advanced analytics and data to optimize the energy production for wind turbines. The company engages in the development, manufacture, sale, and maintenance of wind power plants. In addition, as a part of its 2020 commitment to produce zero waste turbines by 2040, Vestas set various short-, mid- and long-term targets to increase the recyclability rate of wind turbine components.

Ensuring Privacy & Freedom of Expression



As data becomes increasingly valuable and central to our society, some companies have access to sensitive information, such as our location, purchasing history, or call data, or are requested by

governments or law enforcement to provide user data. Domini joined an Investor Statement on Corporate Accountability for Digital Rights. We then engaged with **AT&T** and **Deutsche Telekom** on their policies and practices on freedom of expression, privacy, requests for data, and transparency with users, as evaluated by Ranking Digital Rights¹. Both companies provide vital services and telecommunications access, and through our engagements, we seek to better understand how they are protecting freedom of expression for users, including what they do with sensitive user information. We encourage them to have clear policies, governance and oversight, accountability, and human rights considerations on how they gather, use, and share customer user information.

1 <https://rankingdigitalrights.org/index2020/>



Our standards guide us to look for companies with resilient business models that use innovative solutions to address urgent global and societal challenges. Ideally, their products must also be affordable, accessible, equitable, and transparent. Our recent engagements with **Pfizer** and **Moderna** encourage a greater technology transfer in order to expand global access to the COVID-19 vaccine.

In alignment with the objectives of the Access to Medicine Index², we engaged with **Eisai**, a Japanese pharmaceutical company, to urge it to make epilepsy and cancer medicines

affordable and accessible for people in low- and middle-income countries.

To support the Access to Nutrition Initiative, Domini joined a collaborative engagement with **Unilever** to better understand how its business planning addresses global challenges on obesity, diet-related chronic diseases, and undernutrition. Increasing the nutrition profile of their products and giving consumers the information they need will help them make healthy decisions.

Investment Highlight: Domini Impact Equity Fund

Mercado Libre, an e-commerce company based in Argentina, offers innovative payment services for the underbanked. Its e-wallet payment service targets people who have been historically excluded by financial institutions. Mercado Pago allows users to process online payments, send and receive money, and is available in Argentina, Chile, Brazil, Colombia, Mexico, Peru, Venezuela, and Uruguay. The company offers several services, including point-of-sales solutions to process debit and credit cards to small and medium enterprises.



There are major shifts happening in the global workforce. Labor shortages are contributing to global supply chain delays, transitions, and strong competition, and there is also widespread poverty and inequality, as well as unsafe or inequitable workplaces.

We joined a collaborative engagement with **Autodesk** on its resilience amid COVID-19. We evaluated the board's role in human capital management, employee well-being, and business model transformation. In investor letters and engagements, we supported increased disclosure on workplace diversity, equity, and inclusion; human capital management;

paid leave; the end of forced arbitration clauses; and encouraged conditions that help foster the kind of resilient workplace where workers can thrive. For workers in the global supply chain, this can be challenging. Around 100,000 people in the Xinjiang Uyghur Autonomous Region (XUAR) region may be held in repressive labor camps, working under conditions of forced labor³. Through a shareholder proposal at **Nike** and in dialogue with **Hennes & Mauritz AB (H&M)**, we urge strong human rights due diligence and effective monitoring systems to help ensure their supply chains are not contributing to forced labor.

Investment Highlight: Domini International Opportunities Fund

Just Eat is an e-commerce company based in the Netherlands that owns and manages food delivery websites. The company's 9,000 couriers, which service restaurants that do not have their own delivery capabilities, are directly employed by the company and are provided with e-bikes in most cities. All couriers receive training on road safety. This is a great example of a company providing stable work in an industry where the median hourly wage is low. In New York City, for example, a delivery worker's median hourly wage is just \$7.94, according to a study conducted by the Worker's Justice Project in partnership with Cornell University.

² <https://accesstomedicinefoundation.org/access-to-medicine-index>
<https://accesstonutrition.org>

³ <https://www.dol.gov/agencies/ilab/against-their-will-the-situation-in-xinjiang>

Domini Impact Bond Fund Engagement work

This quarter, we engaged with **Fannie Mae**, focusing on how it invests in housing that is resilient to climate change and how it helps those borrowers most in need. While we appreciate efforts on its expansion of renewable energy integration and energy efficiency retrofits for affordable housing units, we want to make sure that the benefits of this flow to the residents result in a reduced “energy burden.” We also reiterated the importance of linking affordability of housing with climate resiliency in order to ensure long-term viability of their affordable housing programs. In addition, we asked Fannie Mae to report on year-over-year impacts and on their longer-term vision and directions in this area.

Domini Impact Bond Fund Theme Allocations¹



Access to Housing

Supports affordable mortgage credit & rental properties, multifamily collateralized mortgage obligations, and other residential mortgage backed securities.

Economic & Community Development

Supports nonprofit education, rural & agricultural communities, creative economy & public interest, transportation, access to water, business & job creation, and community development financial institutions.

Corporate Debt²

Supports corporate general obligations & bank loans of companies that meet Domini’s Impact Investment Standards.

Health, Well-Being & Aging Society

Supports nonprofit healthcare and research facilities, housing and healthcare services, and pensions.

Non-Housing Asset-Backed Securities

Supports commercial mortgage-backed securities, auto loans, and other asset-backed securities that meet Domini’s Impact Investment Standards.

Low-Carbon Transition

Supports renewable energy, energy efficiency and green buildings, sustainable cities, sustainable forestry and conservation, and corporate green and sustainability bonds.

Impact Highlights

\$28.1M

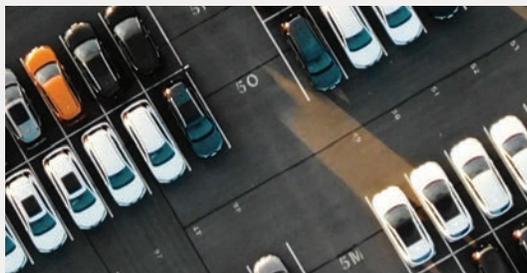
Invested in green, social & sustainability bonds

\$1M

Invested with Community Development Financial Institutions

¹ Based on portfolio holdings as of 9/30/21, excluding cash & cash equivalents, cash offsets, futures, swaps and options with the exception of short-term U.S. Agency bonds and Certificates of Deposit, which are reflected in this reporting. Numbers may not sum to totals due to rounding. The composition of the Fund’s portfolio is subject to change. Visit domini.com to view the most current list of the Fund’s holdings.

² “Corporate Debt” includes general-obligation corporate bonds, bank loans, and corporate debt not classified under other themes.



Investment Highlight: Domini Impact Bond Fund

Tricolor Auto Group is a CDFI certified Delaware LLC that services a portfolio of approximately 22,500 auto loans. Tricolor Auto Acceptance, the group’s loan subsidiary, provides loans to people with little-to-no credit history to finance late models, fully-reconditioned cars, trucks, or SUVs. It targets the “credit invisible” consumer and provides borrowers with access to financing that helps them achieve more affordable rates and lower fees, which in the long-term, will help them achieve financial independence and close the racial wealth gap.

Applying our Standards

Our Research

Domini has an internal team of eight analysts who conduct all of the research in house evaluating companies' eligibility for investments based on the Domini Standards. The two main goals of our Standards are Universal Human Dignity and Ecological Sustainability. To ensure alignment with our standards we evaluate companies based on the indicators, both qualitative and quantitative, that are the most relevant for a specific industry. Our social and environmental standards help us identify strong, long-term investments across both our equity and fixed-income strategies.

How is our research conducted?

Step One: What is the business?

First, we evaluate companies to see if their core business model is aligned with our goals. Sometimes our assessment is straightforward because our exclusionary screens lead us to eliminate certain industries all together. So for example we do not invest in tobacco or gambling and favor industries with a positive impact on society or the environment such as renewable energy. But usually we spend the majority of our time evaluating companies that are in the middle of the spectrum through our proprietary Key Performance Indicators (KPIs). That's where our experience and expertise come in. And we look to add companies that create solutions for environmental and

social challenges and provide access to the underserved.

Step Two: How does the business treat its stakeholders?

We look at the company's relations with its key stakeholders. How does it treat customers, employees, suppliers, investors, communities, and the natural world? No company is perfect, but we invest when we determine a company's negatives are offset by counterbalancing its positives toward long-term benefits. We believe that companies have the best chances to succeed and prosper in the long run when they: produce high-quality, safe, and useful products and services; enrich the ecosystems on which they depend; invest in the wellbeing and development of their employees; contribute to their local and national communities; are transparent with their investors; contribute to the global community, and strengthen the capabilities of their suppliers.

Impact investing is more than a trend. It's our tradition.

We have been exclusively focused on impact investing since our inception in the 90s. We continue to fine tune and develop our Standards and believe that the Standards lead us to identify companies that are additive to society and the environment.

To learn more, visit domini.com/standards

“We don't buy research, instead we conduct it all in-house with our industry-specialized team of researchers.”

The care is mutual. The funds are too.

Seeking to harness the power of finance to create a better world involves many things. Below, we discuss four of them. Namely, hiring smart, experienced people, maintaining high social and environmental investment standards across every fund, writing books that inspire others to make a difference, and reflecting on the time Wall Street thought responsible investing was insignificant.



New Director of Engagement We're excited to announce that Mary Beth Gallagher has joined us as Director of Engagement. Responsible for spearheading our engagement efforts, Ms. Gallagher will develop new initiatives as well as continue to build on our strategic plans for engaging corporations in areas such as worker's rights in the supply chain, climate change mitigation, and health and racial justice.

Read more. <https://www.domini.com/insights/mary-beth-gallagher-joins-domini-as-new-director-of-engagement>

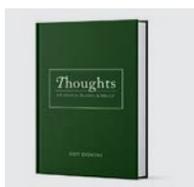


Environmental Finance Award Domini was honored to receive this year's Environmental Finance Award in the fixed income category. The Domini Impact Bond Fund aims to increase access to capital for those historically underserved by the mainstream financial community, create public goods for those most in need, and fill capital gaps left by current financial practices.

Read more. <https://www.domini.com/insights/domini-wins-environmental-finance-fixed-income-fund-of-the-year-2021>



The Original Influencers When Amy Domini launched the Domini 400 Social Index in 1990, Wall Street dismissed the idea. They didn't think investors cared about ethical standards. Today, as interest in ESG investing grows, we reflect on our 30-year journey and our role as continued influencers. **Read our 2021 Annual Report Essay** at <https://www.domini.com/insights/the-original-influencers>



People, Planet, & Profit. Made Personal. *Thoughts on People, Planet, & Profit* is a collection of essays about impact investing from our beloved founder. It's also a book about hope. Through short, thoughtful ruminations on everything from championing biodiversity to just saying "no" to war, Amy Domini demonstrates that when investors come together to care for the greater good, they can ensure both people and planet continue to thrive. All shareholders will have the opportunity to pre-order a free copy. The book will be published in early November.

Before investing, consider each Fund's investment objectives, risks, charges and expenses. Contact us for a prospectus containing this and other information. Read it carefully.

The Domini Funds are not bank deposits and are not insured. Investment return, principal value, and yield will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. You may lose money.

The Domini Impact Equity Fund is subject to certain risks such as impact investing, portfolio management, information, market, recent events, and mid- to large-cap companies risks. The Domini Impact International Equity Fund is subject to foreign investing, emerging markets, geographic focus, country, currency, impact investing, and portfolio management risks. The Domini Sustainable Solutions Fund is subject to sustainable investing, portfolio management, information, market, recent events, and mid- to large-cap companies and small-cap companies risks. The Domini International Opportunities Fund is subject to foreign investing, geographic focus, country, currency, impact investing, and portfolio management risks. Investing internationally involves special risks, such as currency fluctuations, social and economic instability, differing securities regulations and accounting standards, limited public information, possible changes in taxation, and periods of illiquidity. These risks may be heightened in connection with investments in emerging market countries.

The Domini Impact Bond Fund is subject to impact investing, portfolio management, style risk, information, market, recent events, interest rate and credit risks. The value of your investment will fluctuate with changes in interest rates and could decline if an issuer's credit rating falls, it goes bankrupt or it fails to pay, or otherwise defaults on payments of interest or principal. The Domini Impact Bond Fund currently holds a large percentage of its portfolio in mortgage-backed securities. During periods of falling interest rates, mortgage-backed securities may prepay the principal due, which may lower the Fund's return by causing it to reinvest at lower interest rates. Some of the Domini Impact Bond Fund's community development investments may be unrated and carry greater credit risks than its other investments. Potential risks related to the Bond Fund's investments in derivatives include currency, leverage, liquidity, index, pricing and counterparty risk. TBA (To Be Announced) securities involve the risk that the security the Bond Fund buys will lose value prior to its delivery, that the security will not be issued, or the other party to the transaction will not meet its obligation, which can adversely affect the Fund's returns. The reduction or withdrawal of historical financial market support activities by the U.S. Government and Federal Reserve, or other governments/central banks could negatively impact financial markets generally and increase market, liquidity and interest rate risks which could adversely affect the Fund's returns.

The Adviser's evaluation of environmental and social factors in its investment selections and the timing of the Subadviser's implementation of the Adviser's investment selections will affect the Fund's exposure to certain issuers, industries, sectors, regions, and countries and may impact

the relative financial performance of the Fund depending on whether such investments are in or out of favor. The value of your investment may decrease if the Adviser's or Subadviser's judgement about Fund investments does not produce the desired results. There is a risk that information used by the Adviser to evaluate environmental and social factors, may not be readily available or complete, which could negatively impact the Adviser's ability to evaluate such factors and Fund performance. The market value of Fund investments will fluctuate and you may lose money.

There is a Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The market prices of companies at different capitalization levels may vary due to market conditions and cycles. The value of your investment will be affected by the Fund's exposure to mid-, large- and small-cap companies.

As of 9/30/21, these securities represented the following percentages of the Domini Impact International Equity Fund's portfolio: Deutsche Telekom [<0.01%], Eisai Co Ltd [<0.01%], Hennes & Mauritz (H&M) [<0.01%], Unilever [<0.01%], Vestas Wind Systems SA [<0.01%]. These securities represented the following percentages of the Domini Impact Equity Fund's portfolio: Cummins Inc [0.11%], Eversource Energy [0.09%], AT& T Inc [0.63%], Pfizer Inc [0.79%], Moderna Inc [0.44%], MercadoLibre Inc [0.26%], Autodesk Inc [0.55%], Nike Inc [0.60%]. These securities represented the following percentages of the Domini Impact Bond Fund's portfolio: Toyota Motors Corporation [0.47%], MercadoLibre Inc [0.24%], Fannie Mae General Obligations [0.18%], Tricolor Auto Securitization [0.08%]. These securities represented the following percentages of the Domini International Opportunities Fund's portfolio: Autodesk Inc [0.55%], Eisai Co Ltd [0.24%], Eversource Energy [0.33%], Hennes & Mauritz AB (H&M) [0.18%], Just Eat Takeaway.com NV [0.16%], MercadoLibre Inc [0.95%], Toyota Motors Corporation [2.35%], Unilever LPC [1.66%], Vestas Wind Systems A/S [0.48%].

Nothing herein is to be considered a recommendation concerning the merits of any noted company, or an offer of sale or solicitation of an offer to buy shares of any Fund or company referenced herein. Such offering is only made by prospectus, which includes details as to the offering price and other material information. Engagement statistics are provided on a best effort basis.

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“Together, we can each do something—
and this, in the end, is everything.”

Amy Domini

Domini
Investing for Good®

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please email us at info@domini.com or call us at 1-800-582-6757

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