

Information powers transformation. That's why we're excited to share this quarter's impact highlights and insights. Filled with research and stories that move sustainability forward, we continue to demonstrate how impact investing is more than a trend; it's our tradition.

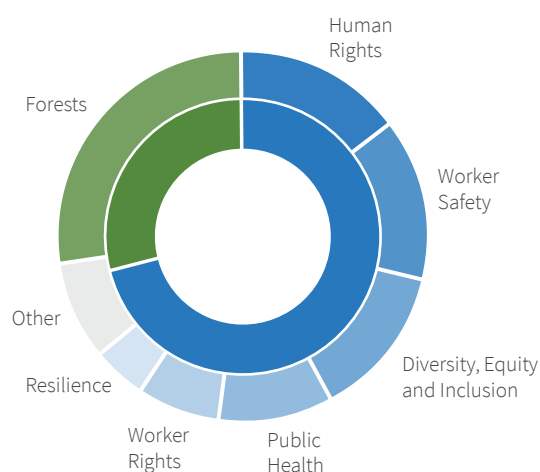
Building Back Better

We started 2021 with a commitment to build back better. One year has passed since the beginning of the pandemic, further highlighting the important role of impact investors in the future of the health of our planet and our global community. As investors, we're focused on resilience, in our social and environmental systems, as well as the markets and the companies in which we invest. This quarter, we highlight our work protecting and respecting all people's human rights—to health and representation at work.

Also Inside

- **Supporting labor movements and worker rights** (page 2)
- **Improving equitable access to health** (page 3)
- **Our standards and the SDGs: supporting sustainable food** (page 4)
- **How our fixed income investments positively impact communities** (page 6)

Engagement Overview



Q1 Engagement Reach:

50 U.S. Companies

33 Non-U.S. Companies

● Ecological Sustainability

● Universal Human Dignity

Our mutual funds employ three fundamental impact investing strategies to create positive change:



Standards

Financial, social, and environmental standards guide all of our investment decisions.



Community Investing

We help build strong communities by directing capital to where it is needed most.



Engagement

We engage with issuers, organizations and policymakers to create value.

Read our past Impact Updates at domini.com

Building Resilient Companies

The unprecedented disruption caused by the COVID-19 pandemic invites a rare opportunity for unprecedented change. Working with a group of large institutional investors, **we have engaged nearly 50 companies to date to ascertain how they are building the resilience of their firms through this crisis.** This quarter, we led **engagements with Mirvac**, an Australian property group, and **Raia Drogasil**, a Brazilian pharmacy chain, and

participated in engagements with **Thomson Reuters, Starbucks, Marriott International, and J Sainsbury.** While climate change, biodiversity loss, and environmental health continue to be top of mind, these engagements recognize the critical role that workers, communities, and society will play in systemic resilience. We will continue to report on these long-term engagements.

Protecting Uyghur Human Rights

In March 2020, the Australian Strategic Policy Institute (ASPI) issued a groundbreaking report alleging the widespread use of forced labor of Uyghur peoples, a Turkic-speaking Muslim minority native to the northwest Xinjiang region, across China and especially in the northwestern Xinjiang region.¹ The area is also responsible for providing approximately one-fifth of the world's cotton, raising serious human rights risks for the apparel sector.² Subsequent reporting confirmed the allegations and many Western countries have now issued or proposed sanctions and import bans on products.

We leveraged our role as investors to engage apparel brands and other companies implicated in the ASPI report. This quarter, **we led or co-led engagements with adidas, Alstom, H&M, Li Ning, Microsoft, Nike and Panasonic**, asking companies to respond to allegations by **mapping their supply chain to identify potential connections** to the region, to **disengage from business relationships** connected to forced labor in and from the Uyghur region, and to **disclose efforts and progress.**

Labor Rights at Amazon.com

During the first quarter, Amazon warehouse workers in Bessemer, Alabama voted on whether or not to join a union, **marking perhaps one of the most important elections of U.S. workers in recent history.** Initial counts show that the vote to unionize garnered 29% of the votes cast, though there are several challenges pending.³ During the process, **we joined with over 70 other investors representing more than \$7 trillion in assets under management to raise concerns about tactics deployed by the company surrounding the unionization vote.** While the company has stated its commitment to human rights and the ILO Core Conventions — both of which include freedom of association — many reports detailed practices that fell short of fully respecting those rights. We will continue our longstanding work to engage with the company on these and related issues.



Equitable Access to Health

As part of our ongoing work with the Access to Medicine Foundation, **we joined more than 150 other investors representing more than \$14 trillion in assets under management in calling for an effective, fair and equitable global response to COVID-19.** The Access to COVID-19 Tools (ACT) Accelerator was launched in April 2020 as a global collaboration designed to leverage existing global public health infrastructure and expertise to accelerate the development, production, and equitable access to COVID-19 tests, treatments, and vaccines. In our statement, **we raised serious concerns about the impact that limited funding for the ACT Accelerator and uneven global access to health technologies will have on the trajectory of the pandemic and global economic activity** in the coming years. COVAX, the vaccine specific pillar of the ACT Accelerator, aims to distribute two billion doses to the world's poorer countries by the end of this

year.⁴ As a signatory, we also **collectively committed to engaging with healthcare companies to promote bolder industry action in support of access.**

The pandemic has highlighted a higher correlation of COVID-19 related mortalities in nursing homes, which have accounted for more than 40% of all reported deaths across 22 countries.⁵

A recent study showed that the presence of a health care worker union in a U.S. nursing home facility was associated with a 30 percent relative decrease in the COVID-19 mortality rate.⁶ This quarter, **we joined over 90 other investors representing over \$3 trillion in assets in publicly expressing our expectations of the nursing home sector,** which include improved practices related to staffing, workplace health and safety, wages and contracts, freedom of association and quality of care.

And Much More

Forests & Finance

As part of our ongoing work on forests, we held calls with 13 financial companies in our portfolios and received written responses from two more. These dialogues are helping to identifying best practices and industry leaders while also identifying criteria for which companies need to improve practices.

Regenerating Forests

We were proud to speak on Clubhouse with The Solutions Journal and Palm Done Right, an international campaign showing that palm can be grown for good. Sourcing palm oil is one of the greatest threats to tropical forests but using regenerative agriculture for the crop can help restore landscapes and ecosystems.⁷

Tax Credits for Clean Energy

The use of tax credits and incentives have provided essential support for the rapid development and deployment of clean energy solutions. We joined investors representing over \$30 billion in assets in writing to the various committees of jurisdiction in the U.S. Congress urging them to extend these vital policies through 2030.

Public Policy for Sustainable Markets

We joined an investor letter led by the US SIF: The Forum for Sustainable and Responsible Investment to support sustainable investing and sustainable financial markets through a set of policy recommendations for the new administration in U.S. government.⁸

1. <https://s3-ap-southeast-2.amazonaws.com/ad-aspi/2021-03/Uyghurs%20for%20sale%2016%20March%202021.pdf?>

2. <https://scceu.org/cbp-and-dhs-issues-wro-on-cotton-and-tomatoes-from-xuar/> See also: <https://www.bbc.co.uk/news/extra/nz0g306v8c/china-tainted-cotton>

3. <https://www.nytimes.com/2021/04/09/business/amazon-union-vote-results.html>

4. <https://www.gavi.org/news/media-room/covax-announces-additional-deals-access-promising-covid-19-vaccine-candidates-plans>

5. <https://tccovid.org/2021/02/02/updated-international-report-mortality-associated-with-covid-19-in-care-homes-data-up-to-26th-january-2021/>

6. <https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2020.01011>

7. <https://thesolutionsjournal.com/2020/12/01/the-regenerative-palm-initiative-palm-oil-as-a-keystone-crop-for-regeneration-in-the-humid-tropics/>

8. https://www.ussif.org/Files/Public_Policy/Policy%20rec%20sign-on%20letter%202.3%20Final.pdf

Our Standards & the Sustainable Development Goals

The way our food is grown affects our health, the health of the economic wellbeing of farmers throughout the world, and the future of our planet's food security. Organic, low-input, small-scale agriculture is also an important consideration in the fight against climate change. Because of the significant and far-reaching impacts that our food decisions have, we seek to invest in companies that promote organic and non-GMO foods and that support local farming and sustainable agriculture. Below, we highlight companies that are helping to pave the way toward a sustainable food future.



Goal 2:

End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Learn more at
domini.com/sdgs



Investment Highlights:

Domini Impact Equity Fund

Beyond Meat, headquartered in El Segundo, California, is at the forefront of the plant-based meat revolution. The company is one of the first to develop plant-based meat that is designed to mimic the taste and texture of animal-based meat. It continues to innovate and expand its portfolio with products like plant-based ground beef and sausage using ingredients like pea, mung bean and rice proteins, cocoa butter, and beet juice extract, which contain no GMOs, soy, or gluten. The company has potential to help address several major sustainability challenges by shifting diets from animal-based to plant-based proteins, including human health, climate change, natural resource constraints, and animal welfare.

Domini Sustainable Solutions Fund

SunOpta Inc., headquartered in Mississauga, Canada, is a vertically integrated leading supplier of organic and non-GMO farm produce, food, and ingredients that goes from field to table. The company works with the Organic Trade Association to improve the integrity of organic products while promoting organic farming globally to reduce the negative impacts on ecological systems such as air, soil, and water. As of 2020, organic products represented 50% of revenue and non-GMO certified products represented 20%.

Domini International Opportunities Fund

Oisix Ra Daichi Inc., headquartered in Tokyo, Japan, engages in the electronic commerce and home delivery business. Its products include online grocery of organic and natural foods, fruits and vegetables, and processed food. In 2018, the company acquired Radish Boya, which focused on the home delivery of organic vegetables. Between April 2019 and March 2020, the company shipped approximately 15,000 tons of organic and low-pesticide vegetables to its 340,000 subscribers.

Domini Impact International Equity Fund

Carrefour SA, headquartered in Boulogne-Billancourt, France, engages in the provision of supermarkets and retail stores. The company considers themselves the leader in the organic retail market in France through its offerings of over 1,000 own-branded organic products. In 2019, the company's sales from organic products reached over \$2.7 billion. The company has also partnered with several banks to create the first investment structure dedicated to food transition in Europe. The funds are intended to develop suppliers' conversion to organic farming and to promote animal welfare. In 2019, the company signed more than 540 organic conversion support contracts with and worked with 1,776 organic farmers in France.

Read past impact updates to learn more about our successful engagements with companies to protect pollinators and the health of our global food production at domini.com/updates



Investing in Communities

Through fixed-income investments, we seek to **increase access to capital, create public goods, and fill capital gaps** in our communities. The Domini Impact Bond Fund addresses a broad range of impact areas, listed below.

Domini Impact Bond Fund Theme Allocations¹

Access to Housing (50%)

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

Corporate Debt² (20%)

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

Low-Carbon Transition (9%)

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

Economic & Community Development (9%)

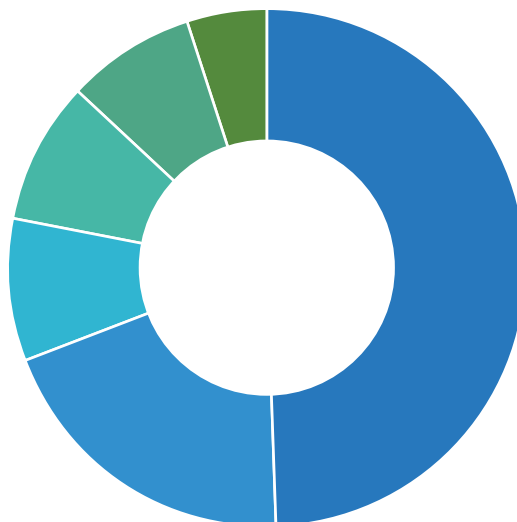
Supports nonprofit education, rural & agricultural communities, creative economy & public interest, transportation, municipal general obligations, access to water, business & job creation, and community development financial institutions.

Health, Well-Being & Aging Society (8%)

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

Non-Housing Asset-Backed Securities (5%)

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



Impact Highlights

\$22.5 million

Invested in green, social & sustainability bonds

\$1.1 million

Invested with Community Development Financial Institutions

Investment Highlight: The Nature Conservancy

The Domini impact Bond Fund is **invested in a bond issued by The Nature Conservancy**, a District of Columbia nonprofit public charity, whose mission is to conserve the lands and waters on which all life depends. The Conservancy focuses on healthy oceans, lands and freshwater, and climate change adaptation and mitigation and pursues global solutions through hundreds of carefully planned, localized projects. Since its inception, the Conservancy has **protected more than 125 million acres of land and currently operates more than 100 marine conservation projects** throughout the world.

1. Based on portfolio holdings as of 3/31/21, 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 www.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.

Your impact makes a difference.

How are your dollars contributing to positive change? The soon-to-be-released Domini 2020 Impact Report will include our most recent investment highlights. Be the first to know when it's out, sign up for news and updates on domini.com/subscribe.

Together, we represent strength in numbers.

We turn numbers into positive stories. Maybe that's to be expected from a company whose mission is to harness the power of finance to build a better world. What's not expected perhaps, is the new look we've packaged our stories in. This new look reflects our new brand. The illustrative new visuals we have chosen to reflect who we are and what we stand for are the continuation of an impact story that's 25 years young; it's the story of a set of standards that's endured and a tradition that's continuously innovating.

Read our recent semi-annual essay, [Strength in Numbers](#), to learn more about how we're empowering investors to grow communities, inspire companies, preserve the planet, and create a world where shared prosperity is a way of life.



Icons, innovations, and honors.



Amy Domini has been chosen among hundreds of nominees as an Icons & Innovators honoree by InvestmentNews. The honorees were chosen for their leadership and industry-transforming ideas. For more about the honor visit domini.com/innovators.

A dose of inspiration.

If you missed our webinar on health justice and how we can attain global and equitable access to COVID-19 vaccines, you can watch the recording at domini.com/vaccinewebinar.

Find out about future Domini events, news and updates
at domini.com/subscribe

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 3/31/21, these securities represented the following percentages of the Domini Impact International Equity Fund's portfolio: adidas AG [0.00%], Carrefour SA [0.61%], Hennes & Mauritz AB [0.32%], Li Ning Co Ltd [0.44%], Mirvac Group [0.00%], Panasonic Corporation [0.65%], Raia Drogasil SA [0.00%], and Sainsbury (J) Plc [0.44%]. These securities represented the following percentages of the Domini Impact Equity Fund's portfolio: Amazon.com Inc [4.84%], Beyond Meat Inc [0.34%], Microsoft Corporation [6.38%], Nike Inc [0.61%], Starbucks Corporation [0.47%], and Thomson Reuters Corporation [0.05%]. These securities represented the following percentages of the Domini Impact Bond Fund's portfolio: Microsoft Corporation [0.00%], The Nature Conservancy [0.17%], and Starbucks Corporation [0.88%]. These securities represented the following percentages of the Domini Sustainable Solutions Fund's portfolio: Beyond Meat Inc [1.51%], and SunOpta Inc [1.25%]. These securities represented the following percentages of the Domini International Opportunities Fund's portfolio: adidas AG [0.72%], Carrefour SA [0.15%], Hennes & Mauritz AB [0.22%], Mirvac Group [0.10%], Oisix Ra Daichi Inc [0.27%], Sainsbury (J) Plc [0.10%], and SunOpta Inc [0.41%]. The following companies were not held by any of the Domini Funds: Alstom SA, Marriott International Inc.

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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