

Facing COVID-19 Together

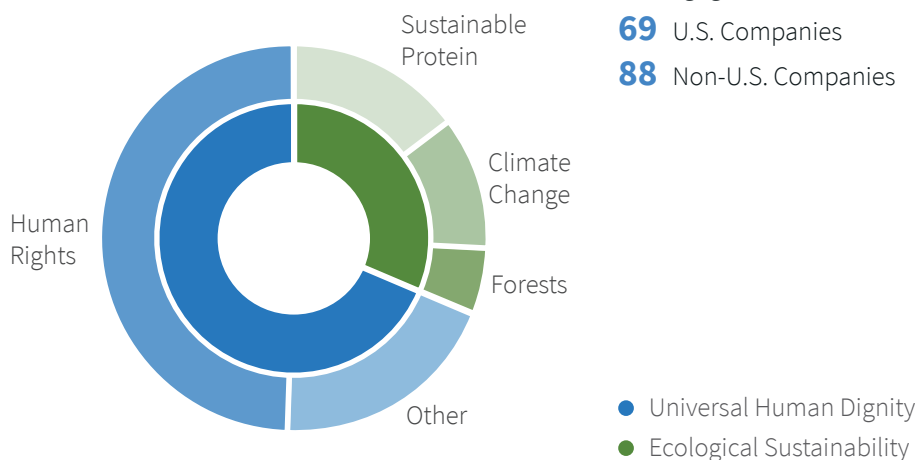
As our social and economic institutions face a daunting global health and humanitarian crisis, the world needs sustainable investment now more than ever. Investing for Good® is about investing for your personal financial future as well as the future of our planet and our global community. Although the last few months have left us with much uncertainty, one thing that remains true is our goal to provide long-term investment returns for our shareholders while helping to create a world of universal human dignity and ecological sustainability.

At Domini, we continue to work to help protect the well-being of our shareholders, our employees, and our communities. *Read more about how we are responding to the global pandemic through our engagements on Page 2.*

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- **Prioritizing forests as a key foundation for a sustainable economy** (Page 5)
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Engagement Overview



Our Investor Statement on Coronavirus Response reached*:

87% of the companies in the Domini Impact Equity Fund

71% of the companies in the Domini Impact International Equity Fund

*note that although the statement was issued in Q1, these contacts were made in Q2 and are thus not included in the other engagement statistics.

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 past updates & download the Domini Funds 2019 Impact Report at **domini.com**

Domini-led Investor Coalition Calling on Companies to Respond to Coronavirus

As an active manager, we believe we have a responsibility to consider the consequences of investment decision-making for society and the planet. We recognize the long-term viability of the companies in which we invest is inextricably tied to the welfare of their stakeholders, including their employees, suppliers, customers and the communities in which they operate.

As the novel coronavirus outbreak in Wuhan, China developed into a global health crisis, we shifted our engagement efforts to respond. In early March, **we drafted the Investor Statement on Coronavirus Response**, and with the help of Interfaith Center on Corporate Responsibility (ICCR) and the New York City Comptroller Office, built a coalition of investors calling on the business community to take urgent action to mitigate the worst outcomes of the crisis. We collaborated with asset managers, asset owners, investors, and other stakeholders around the world to develop five recommendations which include:

1. Provide paid leave: We urge companies to make emergency paid leave available to all employees, including temporary, part time, and subcontracted workers. Without paid leave, social distancing and self-isolation are not broadly possible.

2. Prioritize health and safety: Protecting worker and public safety is essential for maintaining business reputations, consumer confidence and the social license to operate, as well as staying operational. Workers should avoid or limit exposure to COVID-19 as much as possible. Potential measures include rotating shifts; remote work; enhanced protections, trainings or cleaning; adopting the occupational safety and health guidance, and closing locations, if necessary.

3. Maintain employment: We support companies taking every measure to retain workers as widespread unemployment will only exacerbate the current crisis. Retaining a well-trained and committed workforce will permit companies to resume operations as quickly as possible once the crisis is resolved. Companies considering

layoffs should also be mindful of potential discriminatory impact and the risk for subsequent employment discrimination cases.

4. Maintain supplier/customer relationships: As much as possible, maintaining timely or prompt payments to suppliers and working with customers facing financial challenges will help to stabilize the economy, protect our communities and small businesses and ensure a stable supply chain is in place for business operations to resume normally in the future.

5. Financial prudence: During this period of market stress, we expect the highest level of ethical financial management and responsibility. As responsible investors, we recognize this may include companies' suspending share buybacks and showing support for the predicaments of their constituencies by limiting executive and senior management compensation for the duration of this crisis.

As of May 2020, **we have shared the statement with over 71% of our holdings in the Domini Impact International Equity Fund and 87% of our holdings in the Domini Impact Equity Fund**. We are actively working on sector- and company-specific collaborative engagements, which we will report out on in our next quarterly impact update.

The statement was published on March 26th with 195 investor signatories representing over \$4.7 trillion in assets under management (AUM). Today, the statement has received the support of over 329 institutional investors and service providers representing over \$9 trillion in AUM, including large global asset managers.

Read the Investor Statement at
domini.com/covid19-statement

New Mutual Fund Dedicated to Solution-Oriented Companies

We launched the **Domini Sustainable Solutions Fund**. The Fund invests worldwide in public companies that develop and provide access to solution-oriented products and services to address environmental and social challenges. Specifically, we seek companies that support the following sustainability themes:



Accelerate the transition to a low-carbon future

Examples: Renewable energy, including wind and solar technologies; Distributed generation and off-grid energy solutions; Energy storage; Electric vehicles; High-efficiency semiconductors and other energy-efficient technologies



Broaden financial inclusion

Examples: Affordable lending for underserved or disadvantaged communities; Financial literacy programs; Banking, insurance, and investment products/services; Access to capital for entrepreneurs and small businesses



Contribute to the development of sustainable communities

Examples: Safe and affordable housing, Low-carbon transportation systems, Climate-resilient infrastructure; Climate-adaptation services; Sustainable design and engineering services; Smart-city technologies



Bridge the digital divide and expand economic opportunity

Examples: Information and communication technologies; Quality education or training services; Software or services that support the development of small- and medium-enterprises



Ensure access to clean water for drinking and sanitation

Examples: Affordable water services; Water and wastewater treatment facilities; Water quality and filtration solutions; Water harvesting and conservation; Flow-control and plumbing



Support sustainable food systems

Examples: Healthy, natural, organic, and/or plant-based foods; Consumer nutrition education; Reduction of food waste; Resource-efficient agriculture; Support for local and small-scale farming



Promote societal health and well-being

Examples: Preventative healthcare solutions, including vaccines and health education services; Innovative diagnostics and medicines for priority and neglected diseases; Mobile medical technologies

Many of the solution-oriented companies included in the Domini Sustainable Solutions Fund have provided immediate relief and solutions to a wide range of challenges faced by communities around the world that were impacted by the novel coronavirus pandemic. For example, **Teladoc Health** connects patients and physicians remotely and can be an essential solution in reducing stress on overburdened hospitals and health systems, which we have seen as a result of the crisis. Another company, **Zoom**, which is a video-first communications platform, has helped businesses transition to work-remote situations as much of the world began to practice social distancing in the name of public health. Perhaps more importantly during this time, the platform has also kept families, friends and communities connected. Other holdings in the Fund added products or services to specifically address the impacts of the pandemic. For example, **Amalgamated Bank**, which is the largest union-owned bank in the United States and 40% owned by the Workers United Union, launched the Front-Line Workers Fund to provide financial support for workers on the frontlines of the pandemic.

Learn more at
domini.com/sustainablesolutions

Health Care Investment Highlights and the Pandemic

In the Health Care sector, our core investment strategy is to invest in companies that improve access to affordable, quality health care, and create measurable advances in patient and public health around the world. Our investment decisions heavily weigh the importance of the need for preventative healthcare, the need for treatments for neglected global diseases, and the need for treatments for healthcare innovation. Consequently, **we are invested in companies across our funds that are leading the efforts to respond to the recent outbreak of the novel coronavirus, SARS-CoV-2**, many of which are helping to mitigate the impact of the global pandemic by providing diagnostics to test for the coronavirus, developing treatments for those who contract COVID-19, and working to develop vaccines against future infections.



Testing

The most immediate need in the first days of any infectious disease outbreak is widespread testing to know who is infected and how fast the disease is spreading. In our past impact updates, we've highlighted **Hologic Inc.**, a diagnostics company and leader in diagnosing conditions that affect women's health. The company has developed tests for HIV, cervical cancer, breast cancer, and sexually transmitted diseases. In 2016, the company also received FDA emergency use authorization for its Zika assay during the international outbreak of the Zika virusⁱ. More recently, in March 2020, the company received emergency U.S. Food

and Drug Administration (FDA) approval for its SARS-CoV-2 test, the first product in the U.S. to receive funding support from the Biomedical Advanced Research and Development Authority (BARDA), part of the U.S. Department of Health and Human Services HHS Office of the Assistant Secretary for Preparedness and Response.ⁱⁱ In April, the company successfully released its second test, a Research Use Only (RUO) version of the test and announced expectations to supply approximately 3 million tests across the United States with the aim to deliver an average of 1 million test per week going forward.ⁱⁱⁱ The company's tests run on its Panther system, which can process more than 1,000 coronavirus tests in a day and allows physicians to test for additional respiratory diseases simultaneously, a critical diagnostic for coronavirus testing during the flu season.^{iv}

Treatment

The severity and critical nature of COVID-19 cannot be overstated and the need for treatment is urgent. We initially invested in **Gilead Sciences** due to its strength in treating infectious diseases, specifically its focus on human immunodeficiency virus (HIV) and its breakthrough treatments for hepatitis C virus (HCV). The company's work in antivirals led them to study their broad-spectrum antiviral, remdesivir, which showed success in reducing the time that severely ill patients spend in the hospital by approximately 30% in a placebo-controlled clinical trial sponsored by the U.S. National Institute of Allergy and Infectious Diseases involving 1,063 COVID-19 patients.^v Remdesivir received FDA emergency use authorization for the drug in April.^{vi} The company has since expanded production in the U.S., Europe, and Asia, with the goal of providing 500,000 treatment courses by October and one million treatment courses by December.^{vii}

Regeneron Pharmaceuticals is another company working to develop therapeutic antibodies as a way to combat COVID-19. The company's approach is similar to using convalescent antibodies to treat patients, where physicians take antibodies from people that have recovered from a disease to help boost recovery in current patients. The company is using its VelociGene platform to develop a new

therapy using cloned versions of proteins that would be produced in patients as an immune response to the virus. In 2014, when Regeneron initially began work on Ebola virus disease, it was able to produce an antibody treatment in 10 months and recently announced that the FDA accepted its priority review biological license application for an Ebola treatment regimen.^{viiiix} The company expects to begin clinical trials of the therapy to combat COVID-19 in June.

Vaccines

Two companies we are invested in, **GlaxoSmithKline** (GSK) and **Sanofi**, are testing a myriad of candidates in their drug portfolios for effectiveness against COVID-19 and have also joined together in an unprecedented collaboration to develop an adjuvanted vaccine candidate for SARS-CoV-2.^x We have highlighted GlaxoSmithKline in past impact updates, noting their unique role in addressing the needs of underserved global communities, as well as their leadership

in addressing the serious threat of antimicrobial resistant bacteria, fungi, viruses, and parasites. Sanofi is likewise a major player in global health, manufacturing vaccines and medications to address unmet medical needs.^{xi}

This collaboration brings together two of the largest vaccine makers in the world, leveraging technologies which together have been shown to create strong and longer-lasting immunities. Sanofi will contribute its S-protein COVID-19 antigen, developed using recombinant DNA technology on their baculovirus expression platform, which has proven results through its use for influenza vaccines. GlaxoSmithKline will contribute its proven pandemic adjuvant technology, which will lessen the amount of vaccine protein needed per dose. Phase 1 clinical trials for the resulting vaccine are expected to begin in the second half of 2020, with availability expected in 2021, subject to regulatory approval.^{xii}

Our Focus on Forests

There are big environmental lessons to be learned from the novel coronavirus pandemic. Scientists warn that the risk of novel viruses and spread of infectious diseases will rise if the global community does not address the continued destruction of the natural environmental and biodiversity loss occurring worldwide. As cities encroach on forests and people are put into close proximity with species that may carry human transmissible viruses, these risks only grow.

We believe protecting natural systems is vital to all businesses. In 2019, with the launch of our initiative focused on forests, we built on a decade of advocating for corporate sustainable forestry practices and began to **engage companies in conversations about creative solutions for how they can and do support and add value to the forest systems that we all rely on**. This year, we continued to have conversations with companies

that we contacted throughout 2019, including **Casino Guichard**, **Lowe's Companies**, **PepsiCo**, **Trex Company**, and **WestRock** on deforestation and how they value forests. We also participated in an engagement with **Mondelēz International** on the link between soy cultivation and deforestation.

This quarter, **we also led another investor statement to support the reintroduction of the California Deforestation Free Procurement Act**, which would require companies doing business with California to have policies, certification and public disclosure regarding deforestation and human rights. Lastly, we formally **joined the Investor Initiative for Sustainable Forests (IISF)**, a coordinated effort between PRI and Ceres, where we will partner with other major asset owners and managers to engage companies and investors on ending deforestation.

Read more about our work on forest health in the Domini Funds 2019 Impact Report, available at domini.com/2019Impact

And Much More

Enhancing the Environment

We continued to support ShareAction's Investor Decarbonisation Initiative by **contacting 17 companies about science-based emissions targets and making commitments to renewable electricity (RE100), energy productivity (EP100), and electric mobility (EV100).**

We also joined ICCR in a letter to the Council on Environmental Quality opposing proposed changes to National Environmental Policy Act (NEPA) regulations over concerns that the proposed changes will limit communities' right to participate in decisions impacting their health and environment, and exacerbate environmental racism, among other issues.

Advancing Human Rights

Corey Klemmer, Domini's Director of Engagement, **joined an investor delegation organized by the Investor Alliance for Human Rights (IAHR) to visit the Coalition of Immokalee Workers (CIW)** earlier this quarter to learn more about the Worker-Driven Social Responsibility model and how we can support their work. The CIW has been organizing farmworkers for nearly 30 years and developed

the Fair Food Program (FFP) which has become the basis for many other worker-driven corporate responsibility programs for combatting modern slavery and protecting human rights. We met with workers, organizers, supporting activists, a grower, and visited a farm. The CIW's current campaign is focused on getting companies into the FFP, which can serve as a compliance and risk mitigation tool for companies. We supported this effort by sending a letter to The Wendy's Company with the investor delegation as well as coordinated a broader investor sign on letter to the company. Although Wendy's is not a holding in the Domini Funds, we understand the importance of sometimes reaching out to non-holdings to encourage widespread change, particularly when it comes to protecting workers.

Human rights due diligence is a fundamental expectation of the UN Guiding Principles on Business and Human Rights (UNGPs). This quarter, as part of the IAHR, we also joined 176 investors in **calling on companies to improve their performance on the Corporate Human Rights Benchmark**, which assesses 200 of the largest publicly traded companies in the world on a set of human rights indicators. The letter was sent to 95 companies that scored zero on all five human rights due diligence indicators.





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, which we classify into themes.

Domini Impact Bond Fund Theme Allocations¹

Access to Housing (65.8%)

Supports affordable mortgage credit & rental properties and multifamily collateralized mortgage obligations.

Corporate Debt² (12.9%)

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

Economic & Community Development (7.9%)

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

Health, Well-Being & Aging Society (5.0%)

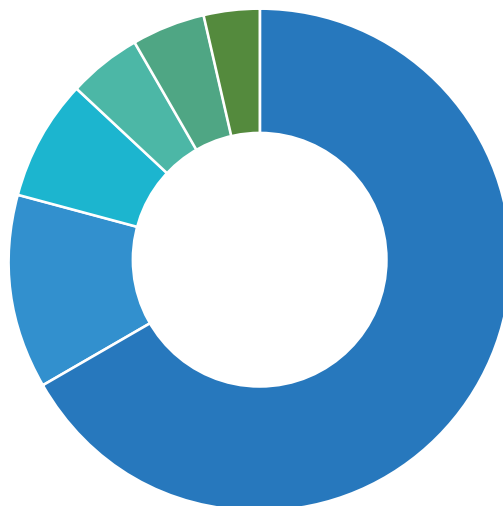
supports nonprofit healthcare and research facilities, housing and healthcare services, and pensions.

Low-Carbon Transition (4.7%)

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

Non-Housing Asset-Backed Securities (3.7%)

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



Impact Highlights

\$10.3 million

Invested in green & sustainability bonds (labeled & unlabeled)

\$1.1 million

Invested with Community Development Financial Institutions

Spotlight: Nonprofit Healthcare and Research Facilities

The Domini Impact Bond Fund seeks investments that fund nonprofit health facilities, including hospitals, clinics, and specialized care centers, as well as institutions that provide academic medical training or conduct research in areas of priority diseases and unmet needs. As of March 31, 2020, **the Fund had over \$8.4 million invested in nonprofit healthcare and research facilities, many of which served on the front lines of the pandemic over the past few months**, particularly **New York-Presbyterian** which has been providing healthcare services to patients with COVID-19 throughout the greater New York City area. Other hospitals, such as **Boston Medical Center**, have been working to expand treatment options for some of society's most vulnerable members, its homeless population. We are proud to support the health needs of our communities nationwide through these investments.

1. Based on portfolio holdings as of 3/31/20, 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.

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 market, recent events, impact investing, portfolio management, information, and mid-to large-cap companies risks. The Domini Impact International Equity Fund is subject to market, recent events, impact investing, portfolio management, information, and mid-to large-cap companies risks. The Domini Sustainable Solutions Fund is subject to market, recent events, sustainable investing, portfolio management, information, mid- to large-cap companies, and small-cap companies risks. Investing internationally involves special risks, such as currency fluctuations, social and economic instability, differing security regulations and accounting standards limited public information possible changes in taxation, and periods of illiquidity. The Domini Bond Fund is subject to market, recent events, impact investing, style, information, interest rate, and credit risks.

As of 3/31/20, these securities represented the following percentages of the Domini Impact Equity Fund's portfolio: Amalgamated Bank of New York [0.07%], Gilead Sciences Inc [0.65%], GlaxoSmithKline Plc [0.65%], Hologic Inc [0.23%], Lowe's Companies [0.45%], Mondelēz International [0.48%], Regeneron Pharmaceuticals [0.27%], PepsiCo Inc [1.14%], Sanofi [0.64%], Teladoc Health Inc [0.51%], Trex Company Inc. [0.03%], WestRock Company [0.05%]. These securities represented the following percentages of the Domini Impact International Equity Fund's portfolio: GlaxoSmithKline Plc [2.19%] and Sanofi [0.49%]. These securities represented the following percentages of the Domini Impact Bond Fund's portfolio: Boston Medical Center Corporation [0.30%] and New York-Presbyterian Hospital [0.09%]. The following companies were not held by any of the Domini Funds: Casino Guichard. The following companies were not approved for investment and therefore not held by any of the Domini Funds: The Wendy's Company. These securities were purchased by the Domini Sustainable Solutions Fund's portfolio after 3/31/20, Amalgamated Bank of New York, Teladoc Health Inc, Zoom 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.

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Endnotes

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- vii. Ibid.
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- xii. Op cit.