



MAKING  
A DIFFERENCE

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The way you invest matters.

A white line-art wreath of leaves is centered on a solid blue background. The wreath is composed of several overlapping leaves, each with a central vein and smaller side veins, creating a circular frame. The text "Toward a *Better* Future" is centered within this wreath.

Toward a *Better* Future

When you invest in the Domini Funds, you make a difference in the world.

The world we live in today was shaped by the investment decisions made by previous generations. Today's socially responsible investors recognize this simple truth and use their investment dollars wisely, to create a better future for all.

To prove that socially responsible investing could make a difference, we had to convince more people to give it a try. But that wasn't always easy. Some people believed that you just couldn't make as much money our way.

This "conventional wisdom" was wrong. An investment approach that includes social and environmental standards — for example, avoiding tobacco companies and weapons manufacturers, and investing in companies that act with respect toward the environment, their employees, and the community — has produced competitive investment returns.

We work hard to find ways to make the world better. We use our stock funds to talk to the companies we own, discussing everything from global climate change to sweatshop issues to making products in a safer way. Gradually, companies are coming to understand what we already know — that they can improve their behavior and still make a profit. And our bond fund and money market account make investments directly into underserved communities.

Through wise investments, responsible investors are making a difference. We have launched a movement that is, we believe, essential to the process of building a peaceful and just future.

You can commit yourself to being part of the solution, by investing in the Domini Funds.



Amy Domini  
Founder and CEO

# *Responsible* Investor

## Choosing to Invest in Better Companies

*Socially Responsible Investing is an investment strategy that allows people to start a discussion about what kind of a world we want – and what the companies we invest in must deliver so that together we can create that kind of world.*

You can't fix what you don't know is broken. By demanding research on corporate behavior, social investors unleashed the power of information. Consider this: The debate over apartheid South Africa was a back-burner issue in the U.S. until investors demanded that companies doing business there report on their activities. These reports, by proving that companies were doing little to promote equality, spurred on the divestment movement, changing history and helping to bring about freedom for the people of South Africa.

Today, Domini and other social investors gather data about corporate performance across a broad range of environmental issues and questions of human dignity. With this information we are reshaping the way the world thinks about corporations and their role in our lives.

We apply social and environmental standards, as a fundamental part of our investment approach, for three basic reasons:

*Ethical values:* We take responsibility for the actions of the companies we own, and avoid owning companies whose products or practices undermine human dignity or cause drastic harm to our environment.

*Financial value:* Our social and environmental standards help us to reduce our exposure to certain risks such as environmental fines and labor problems, while favoring companies whose positive corporate cultures will, we believe, lead to better long-term financial performance.

*Social impact:* The research we do in order to apply these standards has helped to redefine what it means to be a successful corporation, and encouraged the disclosure needed to hold corporations accountable for their actions.

Two fundamental principles underlie our global investment standards: the promotion of a society that values human dignity and the protection of our natural environment.

In short, socially responsible investing is not only a way to align your investments with your values – it is also a way to make corporations behave more responsibly. Domini investors are using their investments to build a world of environmental sustainability and respect for all: the world we want our children to grow up in.



## *Responsible* Owner Bringing New Voices to the Table

*Investors can have a significant impact on the behavior of companies if they are willing to become active shareholders. We own these companies – it's our responsibility to make sure they do the right thing.*

Most shareholders send corporate management a very simple message: “Make me money.” Social investors are sending a new message: “Make me money, but not at the expense of the planet and its people.”

Domini takes an active role with the corporations in its portfolios, raising a broad range of social, environmental, and corporate governance issues with management. These efforts have produced important successes, including agreements by companies to provide environmental reports, manage their emissions and the disposal of their waste, treat their employees fairly, and monitor their suppliers’ compliance with basic human rights standards.

## Social investors are playing a critical role in holding corporations accountable.

We ask management to consider the impact their decisions have on all of their stakeholders – their employees, their local communities, their customers, and the environment that we all share – as well as their shareholders. Socially responsible investors build bridges between corporations and stakeholders who are often ignored because they don’t hold shares in the company.

By exercising our responsibilities as owners, we can change corporate practices – and we have. We view these issues not only as questions of right and wrong, but as matters that affect long-term financial performance as well. To pollute, to discriminate, to violate basic human rights, is just not good for business.



## *Responsible* Neighbor Building Strong Communities

*Community investing is a strategy for redirecting capital to where it is needed most – and empowering people to help themselves. It is a strategy that recognizes that a healthy and vibrant economy must be built from the bottom up.*

The choices you make in your everyday life — including the way you invest — impact others in your own community, across the country, or even around the world. You can invest for your future, while also providing economic opportunity to those who have been left behind.

## A strong, vibrant marketplace requires strong, vibrant communities. Domini offers two ways to help support communities across the country.

The **DOMINI SOCIAL BOND FUND** invests in bonds and other securities that help residents of underserved urban and rural communities to start their own businesses and buy their own homes.

The **DOMINI MONEY MARKET ACCOUNT**, insured by the FDIC, places your funds with ShoreBank, the nation's first bank to commit itself to rebuilding distressed communities. This means you know that your deposit will be used to expand ShoreBank's commitment to making community development loans in underserved communities.

These Domini strategies offer many of the investment advantages of mainstream fixed-income and money market investments. But they also help low-income individuals finance first-time home purchases, create daycare centers, refurbish houses of worship, and start up and expand family businesses. In addition, they support institutions that provide valuable training and empowerment to those who have not previously dealt with mainstream financial institutions.



Be Part of the *Solution*

The Earth's natural systems are in serious and accelerating decline. Poverty and inequality afflict too much of the world, and are increasing at an unacceptable pace. We live on a small planet, and we don't have much time to reverse these trends.

## Let us rededicate ourselves to the notion of taking responsibility.

In the new global economy, the shareholders of the world's corporations play an increasingly significant role in shaping our collective future – for better or for worse. As investors, we have the opportunity and the responsibility to help ensure that our impact on the planet is positive.

Let us rededicate ourselves to the notion of taking responsibility: for our investments, for our communities, for our fellow human beings, and for our planet.

Please visit [www.domini.com](http://www.domini.com) for more information on Shareholder Activism, Community Development, and our Global Investment Standards.

Each investor should consider the Domini Funds' investment objectives, risks, charges and expenses carefully before investing. Obtain a copy of the Funds' current prospectus for more complete information on these and other topics by calling 1-800-762-6814 or at [www.domini.com](http://www.domini.com). Please read the prospectus carefully before investing or sending money.

**Past performance is no guarantee of future results.** The Domini Funds are not insured and are subject to market risks. Investment return and principal value 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 Social Bond Fund is subject to market risks, including interest rate and credit risks. During periods of rising interest rates, bond funds can lose value. The Domini Social 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 Social Bond Fund's community development investments may be unrated and carry greater credit risks than its other investments.

The Domini Money Market Account is not a mutual fund. Unlike a mutual fund, the rate of return for the Domini Money Market Account is determined by ShoreBank and will vary from time to time. Your Domini Money Market Account is insured by the FDIC up to \$200,000 per depositor. Your Domini Funds account is not insured.



P.O. Box 9785  
Providence, RI 02940  
Investor Services: 1-800-762-6814