

Performance Commentary FOURTH QUARTER 2011

For the fourth quarter of 2011, the Domini Social Bond Fund Investor shares returned 0.57%, while the Barclays Capital Intermediate Aggregate (BCIA) Index returned 0.91%.

During the quarter, the Fund's relative underperformance was most affected by its overweight to government agency bonds and its selection of mortgage-backed securities. The Fund's avoidance of Treasuries and its selection of corporate bonds helped its performance relative to the BCIA.

Calendar Year Summary

During 2011, the Fund's government agency residential mortgage-backed strategies were strong contributors to the Fund's performance relative to the BCIA. CMOs, rather than current coupon mortgages, provided greater structure and prepayment protection. These securities performed well as interest rates fell. The Fund seeks to make investments with positive impacts on communities. Our exposure to agency mortgage-backed securities supporting multi-family housing initiatives helped performance during the year.

In the corporate sector, the Fund began emphasizing higher quality industrial names (particularly in the technology industry) to protect against the possibility of falling prices in the wake of a corporate bond rally in the first six months of 2011. Underweighting the debt of traditional banks to the BCIA also helped performance.

The Fund's relative performance was hurt by its exclusion of Treasuries. The Fund excludes Treasuries because a substantial proportion of revenues raised through these bonds finance military weapons and maintenance of the U.S. nuclear weapons arsenal. The Fund holds U.S. government agency bonds that finance affordable housing, education, and other public goods, instead of Treasuries.

As of December 31, the Fund held certificates of deposit with 14 community development financial institutions, serving communities across the country.

This material must be preceded or accompanied by a current prospectus. Please read it carefully before investing.

DSIL Investment Services LLC, Distributor. 01/12

MONTHLY TOTAL RETURNS

	DSBFX	BCIA*
October	-0.10 %	0.22 %
November	0.07 %	-0.07 %
December	0.60 %	0.76 %
TOTAL RETURNS THROUGH 12/31/11		
Latest Quarter	0.57 %	0.91 %
Year to Date	5.85 %	5.97 %
One Year	5.85 %	5.97 %
Three Year [†]	5.45 %	6.19 %
Five Year [†]	5.61 %	6.09 %
Ten Year [†]	4.68 %	5.39 %
Since Inception (6/1/00) [†]	5.49 %	6.18 %

[†]Average annual total returns

*Barclays Capital Intermediate Aggregate Index

Past performance is no guarantee of future results. The Fund's returns quoted above represent past performance after all expenses. Investment return, principal value, and yield will fluctuate. Your shares, when redeemed, may be worth more or less than their original cost. Call 1-800-762-6814 or visit www.domini.com for performance information current to the most recent month-end, which may be lower or higher than the performance data quoted. A 2.00% fee applies on sales/exchanges made less than 30 days after purchase/exchange, with certain exceptions.

For the period reported in its current prospectus, the Fund's gross annual operating expenses totaled 1.29% of net assets. Until 11/30/12, the Fund's Manager has contractually agreed to waive certain fees and/or reimburse certain expenses, including management fees, so that expenses paid by the Fund will not exceed, on a per annum basis, 0.95% of its average daily net assets representing Investor shares, absent an earlier modification by the Board of Trustees, which oversees the Funds. The Fund's total return would have been lower without this limit.

The Fund is not insured and is subject to market risks, including interest rate and credit risks. During periods of rising interest rates, bond funds can lose value. The 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 Fund's community development investments may be unrated and carry greater credit risks than its other investments.

The performance information quoted above does not reflect the deduction of taxes that a shareholder would pay on distributions or the redemption of Fund shares. Total return is based on the Fund's net asset values and assumes all dividends and capital gains were reinvested.