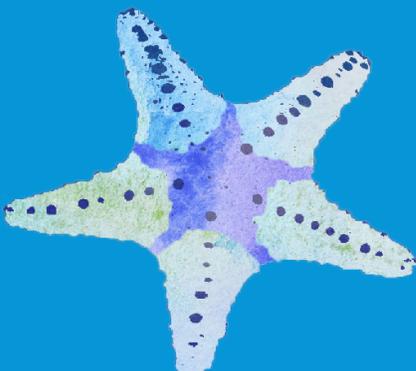


Fourth Quarter 2015

Investing for GoodSM
www.domini.com



Additional Engagements

In addition to those discussed in this report, we also engaged with the following companies during the quarter on these issues:

Amazon

Sustainability reporting

Apple

General corporate responsibility

Santander Consumer USA, ** Banco Santander

Subprime auto loan practices

Estee Lauder

Co-signed letter regarding chemicals management

First Solar

Political activities

Intel, EMC

Human rights

Sumitomo Mitsui Trust Bank[†]

Corporate governance and climate risk

Microsoft, Google, Yahoo, Facebook, LinkedIn

Global Network Initiative - human rights

PepsiCo

Palm oil and deforestation

Pfizer**

Presentation to Pfizer's Environmental Sustainability Council

PNC Bank

Climate change, including call with CEO

S&P Global Ratings[†]

Climate change, oil & gas corporate credit ratings

**Not currently approved for investment by the Domini Funds.

[†]Not publicly traded.

The Domini Social Equity Fund submitted thirteen shareholder proposals this season addressing a variety of issues, including corporate political contributions disclosure, sustainability reporting, palm oil sourcing and minimum wage reform.

Domini has submitted more than 250 shareholder proposals to more than 95 different corporations since 1994, placing key issues of concern on the formal corporate agenda. We file these proposals each year because they have proven to be a highly effective tool for changing corporate behavior. They send a strong message to corporate management, and can often encourage corporate management to work with us to improve their company's social, environmental and governance performance.

Shareholder Proposals	
AT&T, Verizon, First Solar	Political contributions disclosure
Best Buy, Staples	Adopt principles for minimum wage reform
Chipotle, Amazon*	Sustainability reporting
Kroger	Ban sales of semi-automatic weapons
Nucor, UPS*	Political lobbying disclosure
Target, 3M	De-link executive compensation incentives from share buybacks
Whole Foods*	Sustainable palm oil sourcing

*Domini is serving in a supporting role.

Federal Minimum Wage Reform

Today, the federal minimum wage of \$7.25 per hour on a full-time basis equates to an income well below the federal poverty line for workers and their families. We see stagnant wages as a key risk to our economy, and a sustainable minimum wage as an important tool to support economic growth and reduce income inequality. Where does the corporate community stand on this key issue? Working with other investors, we developed a new proposal asking companies to adopt and publish principles for minimum wage reform.

Public Health and Corporate Funding of Scientific Research

In August, the *New York Times* reported that **Coca-Cola** was funding an organization called the Global Energy Balance Network (GEBN), which promoted scientific research on obesity. The organization was accused of emphasizing the need for exercise, shifting the blame for obesity away from sugary beverages. Coke's CEO, Muhtar Kent, responded with an op-ed in the *Wall Street Journal*, pledging to 'do better.' In that piece, he noted that in addition to disclosing all of its spending relating to addressing obesity, the company would "engage leading experts to explore future opportunities for our academic research investment and health and well-being initiatives," led by Sandy Douglas, President of Coca-Cola North America. Coke's subsequent disclosures led to a series of articles in the *Times*. Ultimately, GEBN was shut down and Coke's head scientist took an early retirement.

We have had constructive engagements with Coca-Cola on a wide range of issues, for many years, including human rights, water use and recycling. On the basis of this

(continued on reverse)



relationship, we were invited to participate in a one-on-one call with Mr. Douglas, as part of his expert “listening tour.” We discussed what he has learned so far from the public health experts he’s met with, Coke’s historical response to the problem of obesity and some changes they will be making. We look forward to continuing this dialogue.

Investors, companies and the general public have a strong interest in maintaining the integrity of scientific research. We are therefore encouraging companies that fund research to fully disclose these expenditures. In addition to Coca-Cola, we have also opened dialogue with **Pepsi** to discuss its approach to scientific funding, and to encourage greater transparency.

Pesticides and Pollinator Declines

Home Depot announced that it has removed neonicotinoid pesticides, a leading driver of global bee declines, from 80 percent of its flowering plants and that it will complete its phase-out in plants by 2018. Domini participated in a joint press release issued by Friends of the Earth, and continues to participate in regular calls with the company to receive updates on progress. We are working with Friends of the Earth and members of the Investor Environmental Health Network on this engagement.

In 2015, Domini secured a set of commitments from **Lowe’s**, including the elimination of neonicotinoid pesticides from its stores by 2019.

Public Policy

In October, the **Securities and Exchange Commission** issued a legal bulletin providing a new interpretation of a rule permitting companies to exclude shareholder proposals from their proxy statements if they “directly conflict” with one of management’s own proposals. This relatively obscure rule had recently become a key tool used by companies to block “proxy access”, an important corporate governance reform that would allow shareholders to promote their own nominees for the board of directors, alongside the board’s nominees on the corporate proxy statement.

Whole Foods had responded to a proxy access proposal with one of its own that set thresholds so onerous that it would be impossible for any shareholder to use. After the SEC permitted Whole Foods to exclude the shareholder proposal because it “conflicted” with management’s version, SEC Chair Mary Jo White got involved, pulling the decision and suspending the rule pending a thorough review. She said that “gamesmanship” had no place in the corporate governance process. Domini worked with other investors to help develop a set of comments to guide the SEC’s interpretation of the rule, and engaged directly with SEC Staff on the issue. Although the bulletin published by the SEC did not adopt all of our suggestions, it should eliminate certain abuses of the proxy process. We were pleased to see our comment letter cited four times in the bulletin.

About Domini Social Investments

Domini Social Investments manages mutual funds for individual and institutional investors who wish to create positive change in society by integrating social and environmental standards into their investment decisions. Visit www.domini.com or call 1-800-582-6757 to learn more.

As of March 31, 2016, these companies represented the following percentages of the Domini Social Equity Fund’s portfolio: 3M Co. (<0.01%), Alphabet Inc. (3.18%), Amazon Inc. (2.85%), Apple Inc. (3.75%), AT&T (3.24%), Best Buy Co. Inc. (1.15%), Chipotle Mexican Grill Inc. (1.69%), The Coca-Cola Co. (<0.01%), EMC Corp. (<0.01%), Estee Lauder Companies (0.23%), Facebook Inc. (0.44%), First Solar Inc. (<0.01%), Home Depot Inc. (<0.01%), Intel Corp. (2.80%), Kroger Co. (2.00%), Lowe’s Companies Inc. (<0.01%), Microsoft Corp. (4.78%), Nucor (<0.01%), PepsiCo (2.67%), PNC Financial Services Group (<0.01%), Staples Inc. (<0.01%), Target Corp. (0.71%), UPS (<0.01%), Verizon Communications Inc. (1.74%), Whole Foods Market Inc. (0.48%) and Yahoo Inc. (<0.01%). LinkedIn Corp. was not held by the Fund. As of March 31, 2016, Banco Santander SA represented <0.01% of the Domini International Social Equity Fund’s Portfolio. The composition of the Funds’ portfolios is subject to change.

The Domini Funds are not insured and are subject to market risks, such as sector concentration and style risk. 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. This information is provided for educational purposes only, and should not be considered investment advice with respect to any of the companies listed.

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 are magnified in emerging markets.

You should consider the Domini Funds’ investment objectives, risks, charges, and expenses carefully before investing. Obtain a copy of the Funds’ current prospectus for complete information on these and other topics, by calling 1-800-582-6757 or online at www.domini.com. Please read it carefully before investing or sending money.