



Item 1 – Cover Page

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March 30, 2020

This Brochure provides information about the qualifications and business practices of Dimensional Fund Advisors Ltd. ("Dimensional UK"). If you have any questions about the contents of this Brochure, please contact us at +44 (0) 203 033 3300 and/or <https://eu.dimensional.com>. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Dimensional UK is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. Additional information about Dimensional UK is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## **Item 2 – Material Changes**

This Brochure dated March 30, 2020 reflects Dimensional UK's annual update to Form ADV Part 2A since its last annual update dated March 29, 2019. This Brochure includes changes from one interim amendment, dated October 17, 2019. The following summarizes some of the changes:

- Item 8 has been updated with regard to certain risks, including with respect to non-U.S. investing and market and political risks.



### Item 3 -Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes.....	ii
Item 3 – Table of Contents.....	iii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation .....	2
Item 6 – Performance-Based Fees and Side-By-Side Management .....	2
Item 7 – Types of Clients.....	4
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	4
Item 9 – Disciplinary Information .....	23
Item 10 – Other Financial Industry Activities and Affiliations .....	23
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	25
Item 12 – Brokerage Practices .....	27
Item 13 – Review of Accounts.....	34
Item 14 – Client Referrals and Other Compensation .....	35
Item 15 – Custody.....	37
Item 16 – Investment Discretion.....	37
Item 17 – Voting Client Securities.....	38
Item 18 – Financial Information .....	41
Item 19 – Requirements for State-Registered Advisers.....	41



## Item 4 – Advisory Business

### General Description of Advisory Firm

The principal business activities of Dimensional UK relating to this registration involve acting as sub-advisor or agent to its U.S. parent, Dimensional Fund Advisors LP (“Dimensional US”), a U.S. limited partnership which owns 100% of the outstanding shares of Dimensional UK and which serves as investment manager to various institutional clients including mutual fund portfolios, separate accounts and collective trust funds. Dimensional UK’s sub-advisory or agent services are with respect to such clients’ investments in non-U.S. securities. Except as otherwise indicated, the information provided in Form ADV relates to Dimensional UK’s services to its U.S. clients. Dimensional UK has been in business since December 19, 1990 and has been a registered investment adviser under the Investment Advisers Act of 1940, as amended (“Advisers Act”), since November 6, 1991.

As of December 31, 2019, Dimensional UK managed approximately \$248,431,775,492 on a discretionary basis.<sup>1</sup>

### General Description of Advisory Services

Dimensional UK manages equity and fixed income securities based on fundamental analysis:

- Dimensional UK believes that equity investing should involve a long-term view and a systematic focus on sources of expected returns, not on stock picking or market timing. In constructing an equity investment portfolio, Dimensional UK generally identifies a broadly diversified universe of eligible securities with defined risk and return characteristics.
- Dimensional UK believes that fixed income investing should also involve a long-term view and a systematic focus on bond market risk and return, not on interest rate forecasting or market timing. In constructing a fixed-income investment portfolio, Dimensional UK generally identifies a broadly diversified universe of eligible securities with defined maturity ranges and credit quality characteristics.

Dimensional UK provides: (i) trading and other investment advisory services to Dimensional US in connection with Dimensional US’s management of four SEC-registered investment companies which comprise approximately 60 separate funds in aggregate (“U.S. Dimensional Funds”); (ii) trading and other investment advisory services to Dimensional US in connection with Dimensional US’s management of separate account clients and other clients investing in non-U.S. securities; and (iii) trade execution and related services to Dimensional US in connection with Dimensional US’s management of its other mutual fund clients, separate account clients,

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<sup>1</sup> Discretionary assets under management include assets that are attributable to funds-of-funds managed by Dimensional UK that invest in underlying funds that are also managed by Dimensional UK and whose assets are also included.



and other clients investing in non-U.S. securities. Dimensional UK serves Dimensional US clients in a sub-advisory or agency capacity.

Dimensional UK may also from time to time provide information to its clients about the general behavior of certain securities markets. Such information may include summaries of performance of stock markets in the United Kingdom, Continental Europe, the United States and Japan, and of various sections within each market.

#### Other Business

Dimensional UK licenses software to intermediaries for use by certain employee benefit plans or the fiduciaries or intermediaries of such plans. The license includes software for a computer-based assessment tool that may be used to sort plan participants into different groups based on certain attributes. The tool will allow an intermediary, fiduciary or the plan to map groups of plan participants to a model allocation. Dimensional UK provides related technical support and maintenance services for the licensed items as well as updates as agreed upon. Under this program, Dimensional UK does not act as an investment adviser, including to a plan or its participants.

### **Item 5 – Fees and Compensation**

#### Sub-Advisory Fees

For sub-advisory services provided to the U.S. Dimensional Funds managed by Dimensional US, Dimensional UK receives a fee, which is typically payable by Dimensional US quarterly. The specific fees that Dimensional UK charges are set forth in a written sub-advisory agreement with Dimensional US and the U.S. Dimensional Funds. No additional fee is payable to Dimensional UK by such clients. For sub-advisory services and other services provided to separately managed accounts of Dimensional US, Dimensional US pays Dimensional UK quarterly fees equivalent to certain of Dimensional UK's expenses plus a percentage of expenses. Fees are negotiable and are not paid before services are provided.

#### Brokerage, Custodial and Other Expenses

Dimensional UK's fees are exclusive of brokerage commissions, custodial fees, and other transaction costs and expenses which the client may incur. See Item 12 of this Brochure for a discussion of Dimensional UK's brokerage practices.

### **Item 6 – Performance-Based Fees and Side-By-Side Management**

Dimensional UK does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).



### Allocation of Investment Opportunities

Dimensional UK provides investment advisory and investment management services for many clients and may give advice and take action with respect to one client that differs from advice given or the timing or nature of action taken with respect to another client. It is Dimensional UK's policy not to favor or disfavor any client or class of clients in the allocation of investment opportunities. To the extent practicable, all investment opportunities will be allocated among clients over time on a fair and equitable basis.

Dimensional UK allocates eligible investment opportunities across portfolios that it manages based on the following factors:

- a. incremental contribution to the desired characteristics of the overall portfolio;
- b. demand relative to target weight of the security within the portfolio compared to that of other portfolios;
- c. anticipated liquidity of the security;
- d. cash position of the portfolio;
- e. anticipated client cash flows in or out of the portfolio; and
- f. anticipated expenses associated with transacting in the security.

The availability of certain investment opportunities is limited under various circumstances, including in certain local and emerging markets, and with respect to regulated industries. Additionally, Dimensional UK may restrict, limit or reduce the amount of a portfolio's investment in a security where holdings in such a security by a portfolio, or across portfolios in the aggregate, may exceed regulatory or issuer ownership thresholds or would otherwise result in significant costs to, or administrative burdens on, portfolios, a client or Dimensional UK. For example, limitations may exist if a position or transaction could require a regulatory filing or a license or other regulatory or corporate consent, which could, among other things, result in additional cost and disclosure obligations for, or impose regulatory restrictions on, portfolios, a client or Dimensional UK, or where exceeding a threshold is prohibited or may result in regulatory or other restrictions. Dimensional UK also, in allocating investment opportunities, can consider a portfolio's sensitivity to tracking error, and the availability of other appropriate or substantially similar investment opportunities for its portfolios. For example, a portfolio that is sensitive to tracking error may receive a greater allocation of a security that is in the index that is tracked by such portfolio as compared to a portfolio that is not sensitive to tracking error.

When Dimensional UK allocates investment opportunities, it takes into account the factors described above, as applicable, and as a result, some or all of the eligible portfolios may not receive a pro rata allocation, or any allocation.

See also Item 12 relating to trade aggregation and allocation practices.



## **Item 7 – Types of Clients**

As further described in Item 4, Dimensional UK provides sub-advisory services to Dimensional US, a registered investment advisor, primarily in connection with Dimensional US's management of the U.S. Dimensional Funds, and also certain institutional separate accounts.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

In its role as sub-advisor of funds and accounts managed by Dimensional US or as agent of Dimensional US, Dimensional UK will have primary responsibility for determining the best methods and timing of executing securities transactions in U.K. and Continental European securities in accordance with the investment decisions, selections and policies of Dimensional US and the respective clients.

Dimensional UK's portfolio managers use a team approach to manage client assets. Dimensional UK's sales staff and client service representatives discuss Dimensional UK's investment philosophy, strategies, and performance, and review client reports, as well as discuss other client-related services offered by Dimensional UK. However, they do not formulate investment advice for potential or current clients.

Because the value of a client's investment will fluctuate, there is the risk that a client will lose money. Clients should carefully review the risks of investing and be prepared to bear those risks, including the possible loss of the principal amount invested.

### *General Investments*

*Method of Analysis and Investment Strategies.* Dimensional UK primarily utilizes fundamental analysis with limited technical analysis. Securities analysis will generally be used to eliminate securities from a portfolio rather than to decide which securities will be added. Dimensional US, Dimensional UK's U.S. parent company, also has consulting arrangements with several academics who provide expertise with respect to investment management strategies.

*Market Risk:* Even a long-term investment approach cannot guarantee that a strategy will not lose money. Economic, market, political, and issuer-specific conditions and events will cause the value of securities, and the portfolio that owns them, to rise or fall. Markets tend to move in cycles, with periods of rising prices and periods of falling prices.

The value of a portfolio's securities can change daily due to economic and other events that affect market prices generally, as well as those that affect particular regions, countries, industries, or issuers. Economies and financial markets throughout the world have become increasingly interconnected, which increases the likelihood that events or conditions in one region or country will adversely affect markets or issuers in other regions or countries. Portfolio securities may be negatively impacted by inflation (or expectations for inflation), interest rates, global demand for particular products/services or resources, natural disasters, pandemics,



epidemics, terrorism, war, military confrontations, regulatory events and governmental or quasi-governmental actions, among others. Natural and environmental disasters, including weather-related phenomena, also can adversely affect individual issuers, sectors, industries, markets, currencies, countries, or regions. The occurrence of global events similar to those in recent years (e.g., natural disasters, virus epidemics, social and political discord, and terrorist attacks) may result in market volatility and have long-term effects on both the U.S. and global economies and financial markets. Such events could occur in any jurisdiction in which a portfolio invests, leading to changes in regional and global economic conditions and cycles which may have a negative impact on a portfolio's investments. The risks associated with such events may be greater in developing or emerging market countries, many of which have less developed political, financial, healthcare, and/or emergency management systems.

*Fund of Funds Risk:* The investment performance of a portfolio that is a fund-of-funds is affected by the investment performance of the underlying funds in which the portfolio invests. The ability of the portfolio to achieve its investment objective depends on the ability of the underlying funds to meet their investment objectives and on Dimensional UK's decisions regarding the allocation of the portfolio's assets among the underlying funds. The portfolio may allocate assets to an underlying fund or asset class that underperforms other funds or asset classes. There can be no assurance that the investment objective of the portfolio or any underlying fund will be achieved. When the portfolio invests in underlying funds, investors are exposed to a proportionate share of the expenses of those underlying funds in addition to the expenses of the portfolio. Through its investments in underlying funds, the portfolio is subject to the risks of the underlying funds' investments.

*Investment in Collective Investment Schemes:* A portfolio may invest in one or more collective investment schemes. As a shareholder of a collective investment scheme, a portfolio would bear, along with other shareholders, its pro rata portion of the expenses of the other collective investment scheme, including management and/or other fees (excluding subscription or redemption charges). These fees would be in addition to the fees payable to the investment manager and other expenses which a portfolio bears directly.

Some of the collective investment schemes that a portfolio may invest in may in turn invest in financial derivative instruments which will result in the portfolio being indirectly exposed to the risks associated with such financial derivative instruments.

The portfolio will not have an active role in the day-to-day management of the collective investment scheme in which it invests. Moreover, the portfolio will generally not have the opportunity to evaluate the specific investments made by any underlying collective investment scheme before they are made. Accordingly, the returns of the portfolio will primarily depend on the performance of these unrelated underlying fund managers and could be adversely affected by the unfavorable performance of such underlying fund managers.

*Securities Lending Risk:* Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, a portfolio may lose money and there may be a delay in recovering the loaned securities. The portfolio could also lose money if it does not





recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain adverse tax consequences.

*Foreign Issuers and Currencies Risk:* Portfolios may acquire and sell securities issued in foreign countries. There are substantial risks associated with investing in the securities issued by governments and companies located in, or having substantial operations in, foreign countries, which are in addition to the risks inherent in U.S. investments. In many foreign countries there is less government supervision and regulation of stock exchanges, brokers, and listed companies than in the U.S., which may result in greater potential for fraud or market manipulation. There is also the risk of substantially more government involvement in the economy in foreign countries as well as the possible arbitrary and unpredictable enforcement of securities regulations and other laws, which may limit the ability of a portfolio to invest in foreign issuers.

Significantly, there is greater possibility of cessation of trading on foreign exchanges, expropriation, nationalization of assets, confiscatory or punitive taxation, withholding and other foreign taxes on income or other amounts, foreign exchange controls (which may include suspension of the ability to transfer currency from a given country), restrictions on removal of assets, political or social instability, military action or unrest, or diplomatic developments. There is no assurance that Dimensional UK will be able to anticipate these potential events.

In addition, if the base currency of a portfolio is the U.S. dollar, the value of securities denominated in foreign currencies and of dividends and interest paid with respect to such securities will fluctuate based on the relative strength of the U.S. dollar. Foreign currency risk includes the possibility that a foreign government will convert, or be forced to convert, its currency to another currency, changing its value against the U.S. dollar. A portfolio may seek to hedge foreign currency exposure.

Foreign issuers may not be subject to uniform accounting, auditing and financial reporting standards and there may be less publicly available financial and other information about such issuers, comparable to U.S. issuers. Certain countries' legal institutions, financial markets, and services are less developed than those in the U.S. or other major economies. A portfolio may have greater difficulty voting proxies, exercising shareholder rights, securing dividends and obtaining information regarding corporate actions on a timely basis, pursuing legal remedies, and obtaining judgments with respect to foreign investments in foreign courts than with respect to domestic issuers in U.S. courts. The costs associated with foreign investments, including withholding taxes, brokerage commissions, and custodial costs, are generally higher than with U.S. investments. To the extent that a portfolio invests a significant portion of its assets in a specific geographic region or country, the portfolio will have more exposure to economic risks related to such region or country than a portfolio with investments that are more geographically diversified. In addition, economies of some emerging market countries may be based on only a few industries and may be highly vulnerable to changes in local or global trade conditions. Foreign markets also can have substantially less trading volume than the U.S. markets and securities of some foreign issuers are less liquid and more volatile than securities of comparable U.S. issuers. A portfolio, therefore, may encounter difficulty in obtaining market quotations for purposes of valuing its portfolio assets or calculating its net asset value, as applicable.



It is also possible that the U.S., other nations or other governmental entities (including supranational entities) could impose sanctions against issuers in various sectors of certain foreign countries. This could limit a portfolio's investment opportunities in such countries, impairing the portfolio's ability to invest in accordance with its investment strategy and/or to meet its investment objective. In addition, an imposition of sanctions upon such issuers could result in an immediate freeze of the issuers' securities, impairing the ability of a portfolio to buy, sell, receive or deliver those securities. Further, current sanctions or the threat of potential sanctions may also impair the value or liquidity of affected securities and negatively impact a portfolio.

*Emerging Markets Risk:* Securities of issuers associated with emerging market countries, including, but not limited to, issuers that are organized under the laws of, maintain a principal place of business in, derive significant revenues from, or issue securities backed by the government (or, its agencies or instrumentalities) of emerging market countries may be subject to higher and additional risks than securities of issuers in developed foreign markets. These risks include, but are not limited to (i) social, political and economic instability; (ii) government intervention, including policies or regulations that may restrict a portfolio's investment opportunities, including restrictions on investment in issuers or industries deemed sensitive to an emerging market country's national interests; (iii) less transparent and established taxation policies; (iv) less developed legal systems allowing for enforcement of private property rights and/or redress for injuries to private property; (v) the lack of a capital market structure or market-oriented economy; (vi) higher degree of corruption and fraud; (vii) counterparties and financial institutions with less financial sophistication, creditworthiness and/or resources as those in developed foreign markets; and (viii) the possibility that the process of easing restrictions on foreign investment occurring in some emerging market countries may be slowed or reversed by unanticipated economic, political or social events in such countries, or the countries that exercise a significant influence over those countries.

In addition, many emerging market countries have experienced substantial, and during some periods, extremely high rates of inflation, for many years. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of these countries. Moreover, the economies of some emerging market countries may differ unfavorably from the U.S. economy in such respects as growth of gross domestic product, currency depreciation, debt burden, capital reinvestment, resource self-sufficiency and balance of payments position. The economy of an emerging market country may be based on a limited number of industries and thus may be highly vulnerable to changes in local or global trade conditions.

A portfolio may have limited access to, or there may be a limited number of, potential counterparties that trade in the securities of emerging market issuers. Potential counterparties may not possess, adopt or implement creditworthiness standards, financial reporting standards or legal and contractual protections similar to those in developed foreign markets. Currency and other hedging techniques may not be available or may be limited. The local taxation of income and capital gains accruing to nonresidents varies among emerging market countries and may be comparatively high. Emerging market countries typically have less well-defined tax laws and



procedures and such laws may permit retroactive taxation so that a portfolio could in the future become subject to local tax liabilities that had not been anticipated in conducting its investment activities or valuing its assets. Custodial services and other investment-related costs in emerging market countries are often more expensive, compared to developed foreign markets and the U.S., which can reduce a portfolio's income from investments in securities or debt instruments of emerging market country issuers.

Some emerging market currencies may not be internationally traded or may be subject to strict controls on foreign investment by local governments as well as restrictions on currency conversions and limits on repatriation of invested capital. The result can be undervalued or overvalued currencies and associated difficulties with the valuation of assets, including a portfolio's securities, denominated in that currency. Future restrictive exchange controls could prevent or restrict a company's ability to make dividend or interest payments in the original currency of the obligation (usually U.S. dollars). In addition, even though the currencies of some emerging market countries may be convertible into U.S. dollars, the conversion rates may be different than the actual market values and may be adverse to a portfolio's shareholders.

Frontier market countries generally have smaller economies or less developed capital markets and, as a result, the risks of investing in emerging market countries are magnified in frontier market countries.

*China Investments Risk:* Investments in China-based issuers or those associated with the country, such as those with operations there or deriving revenue from local operations, can be subject to considerable degrees of economic, political and social instability. The Chinese government can significantly influence China's economy through government industrial policies, monetary policy, management of currency exchange rates, and management of the payment of foreign currency-denominated obligations. Changes or uncertainty in government policies or direction can adversely impact industries or companies in China. China is an emerging market, subject to related risks and demonstrates significantly higher volatility from time to time in comparison to developed markets. The China market continues to experience volatility and possible pricing anomalies resulting from governmental influence, a lack of publicly available information and/or political and social instability. The country's economy, particularly its export-oriented industries, may be adversely impacted by trade or political disputes with China's major trading partners, including the U.S. China's currency, which historically has been managed in a tight range relative to the U.S. dollar, may in the future be subject to greater uncertainty as Chinese authorities change the policies that determine the exchange rate mechanism. Social unrest in China or confrontations with other neighboring countries, including military conflicts in response to such events, may also disrupt economic development in China and result in a greater risk of currency fluctuations, currency non-convertibility, interest rate fluctuations and higher rates of inflation.

A portfolio investing in China A-shares through the Shanghai-Hong Kong Stock Connect program or the Shenzhen-Hong Kong Stock Connect program (together, "Stock Connect") is subject to trading, clearance, settlement, and other procedures, which could pose risks to the



portfolio. Trading through the Stock Connect program is subject to daily quotas that limit the maximum daily net purchases on any particular day, each of which may restrict or preclude a portfolio's ability to invest in China A-shares through the Stock Connect program. Trading through Stock Connect may require pre-validation of cash or securities prior to acceptance of orders. This requirement may limit a portfolio's ability to dispose of its A-shares purchased through Stock Connect in a timely manner. Certain China A-Share securities may only be available to investors meeting certain qualifications, such as being an institutional professional investor under Hong Kong law.

A primary feature of the Stock Connect program is the application of the home market's laws and rules applicable to investors in China A-shares. Therefore, a portfolio's investments in Stock Connect China A-shares are generally subject to the securities regulations and listing rules of the People's Republic of China ("PRC"), among other restrictions. Stock Connect can only operate when both PRC and Hong Kong markets are open for trading and when banking services are available in both markets on the corresponding settlement days. As such, the Shanghai and Shenzhen markets may be open at a time when Stock Connect is not trading, with the result that prices of China A-shares may fluctuate at times when a portfolio is unable to add to or exit its position, which could adversely affect the portfolio's performance.

Changes in the operation of the Stock Connect program may restrict or otherwise affect a portfolio's investments or returns. Furthermore, any changes in laws, regulations and policies of the China A-shares market or rules in relation to Stock Connect may affect China A-share prices. These risks are heightened generally by the developing state of the PRC's investment and banking systems and the uncertainty about the precise nature of the rights of equity owners and their ability to enforce such rights under Chinese law. An investment in China A-Shares is also generally subject to the risks identified under "Emerging Markets Risk," and foreign investment risks such as price controls, expropriation of assets, confiscatory taxation, and nationalization may be heightened when investing in China.

*Political, United Kingdom and European Market Related Risks:* Portfolios that have significant exposure to certain countries can be expected to be impacted by the political and economic conditions within such countries. There is continuing uncertainty around the future of the euro, GBP, the United Kingdom and the European Union (EU) following the United Kingdom's vote to exit the EU in June 2016 ("Brexit"). On January 31, 2020 the United Kingdom officially withdrew from the EU and an eleven-month transition phase, set to continue through December 31, 2020, began. It is possible that the transition will be extended past that date. Although the United Kingdom's exit from the EU has not yet modified existing agreements, the United Kingdom and EU will renegotiate and formalize new economic and political agreements, including trade deals, during the transition phase. Given the extended transition and unpredictability surrounding the renegotiation process, there remains a significant degree of uncertainty surrounding the economic and political outcomes which these events may cause. As the outcomes of the negotiations for a new relationship between the United Kingdom and EU remain unclear, the effects on the United Kingdom, EU and the broader global economy cannot be determined at this time. Brexit may cause greater market volatility and illiquidity, currency



fluctuations, deterioration in economic activity, a decrease in business confidence, and an increased likelihood of a recession in the United Kingdom, the EU and/or other countries. The Brexit impact could be significant and could adversely affect the value and liquidity of a portfolio's investments. In addition, if one or more other countries were to exit the EU or abandon the use of the euro as a currency, the value of investments tied to those countries or the euro could decline significantly and unpredictably.

*Cyber Security Risk:* The use of the internet, technology and information systems by a portfolio as well as its service providers expose the portfolio to potential risks linked to cyber security breaches of those technological or information systems. Cyber security breaches, amongst other things, could allow an unauthorized party to gain access to proprietary information, customer data, or portfolio assets, or cause the portfolio, its service providers and/or counterparties to suffer data corruption or lose operational functionality. Dimensional UK's operations are subject to similar risks, including because of incidents that may occur at Dimensional UK's business service providers and counterparties. Cyber security risks can result in financial losses to Dimensional UK and its clients. A cyber security incident, either at Dimensional UK or a third party, could limit Dimensional UK's ability to manage portfolios or transact on their behalf. Incidents could also result in delays to or mistakes in materials provided to clients. Dimensional UK has measures designed to address risks associated with cyber security, but there is no guarantee that those measures will be effective, including because Dimensional UK cannot directly control cyber security defenses or plans of its service providers, financial intermediaries and companies in which Dimensional UK invests on behalf of clients. A cyber security incident can result in compliance, legal and remediation costs and could also result in reputational harm.

*Data Source Risk:* Dimensional UK uses a variety of data in connection with managing portfolios and evaluating securities, and the quality of the resulting analysis or implementation depends on a number of factors, including the accuracy and timeliness of data inputs. When such data is incorrect or incomplete, a portfolio can be negatively impacted, such as when incorrect data is entered into an otherwise accurate investment process or system, or when Dimensional UK's securities analysis is affected by incorrect information. Dimensional UK cannot guarantee that third-party data is accurate and, unless otherwise agreed in writing with a client, is typically not responsible for errors caused by reasonable reliance on third-party data sources.

*Operational Risk:* Dimensional UK and the portfolios are exposed to operational risks such as the risk of human error or failures in systems, technology or processes, either internally or at third parties. Dimensional UK's business operations can be impacted, in part, by software or hardware malfunctions, viruses, glitches, process errors, connectivity loss or system failures. Various operational events or circumstances are beyond Dimensional UK's control, including instances at third parties, and can include human errors or events in part caused by changes in personnel, system changes, or faults in communication or technology failures. Increased use of and reliance on systems, technology or processes, both internally and at third parties, can cause portfolios and Dimensional UK to be more susceptible to operational and system risks, including the cyber security risk addressed above. To the extent a trading counterparty uses algorithms to implement orders from Dimensional UK, and such algorithms are incorrect or incomplete, any





decisions or investments made in reliance thereon expose portfolios to additional risks, including losses.

Dimensional UK seeks to minimize operational risks and related risks through controls and oversight, but there is no guarantee that those measures will be effective, including because Dimensional UK does not control operational risk management at third parties. There may be failures or instances that cause losses to a portfolio or impact Dimensional UK's or a third party's functions. Unless otherwise agreed in writing with a client, Dimensional UK typically will not be responsible for errors caused by Dimensional UK's reasonable reliance on third parties, such as brokers, custodians, technology providers, data sources and other providers.

Negative global events can disrupt the operations and processes of any of the service providers for a fund or account. Such events could cause uncertainty in business and market operations, potentially impacting the ability to trade securities and clear and settle transactions as well as causing business uncertainty and closures, supply chain and travel interruptions, the need for personnel and vendors to work at external locations, and extensive medical absences. Not all events that could affect business operations and/or the markets can be determined and addressed in advance. Negative global events, in some cases, could constitute a force majeure event under contracts with service providers or contracts entered into with counterparties for certain transactions.

*Liquidity Risk:* Liquidity risk exists when particular portfolio investments are difficult to purchase or sell. To the extent that the portfolio holds illiquid investments, the portfolio's performance may be reduced due to an inability to sell the investments at opportune prices or times. Liquid portfolio investments may become illiquid or less liquid after purchase by the portfolio due to low trading volume, adverse investor perceptions and/or other market developments. Liquidity risk includes the risk that the portfolio will experience significant net redemptions at a time when it cannot find willing buyers for its portfolio securities or can only sell its portfolio securities at a material loss or at increased costs. Liquidity risk can be more pronounced in periods of market turmoil or in situations where ownership of shares of the portfolio are concentrated in one or a few investors.

*Tax-Management/Tax Advantage Strategy Risk:* Tax-management strategies and strategies that consider the tax implications of investment decisions may alter investment decisions and affect portfolio holdings, when compared to those of non-tax managed portfolios. Dimensional UK anticipates that performance of such portfolios may deviate from that of non-tax managed portfolios.

*Social Investment/Sustainability Impact Consideration Investment Risk:* Portfolios with social issue screens or sustainability impact considerations limit the number of investment opportunities available to such portfolios, and as a result, at times, a portfolio may produce lower returns than portfolios that are not subject to such special investment conditions. For example, a portfolio may decline to purchase, or underweight its investment in, certain securities due to sustainability impact considerations when other investment considerations would suggest that a



more significant investment in such securities would be advantageous, or the portfolio may sell certain securities for social reasons when it is otherwise disadvantageous to do so. Sustainability impact considerations may cause a portfolio's industry allocation to deviate from that of funds without these considerations and of conventional benchmarks.

*Tax Risk:* Dividends, interest and other amounts payable (including, without limitation, principal amounts) with respect to financial instruments and other funds may be subject to taxes, including withholding taxes. The effect of taxation will reduce the return on the relevant financial instrument. Where tax is withheld (which may be effected by a tax authority in another jurisdiction), it may be possible to recover the amount withheld or otherwise offset part or all of the amount withheld against total tax liability. However, there can be no assurance that any such recovery will be successful. The location of the custodian (or its nominee) may also impact the tax treatment and (where applicable) the process for recovery of tax withheld. Tax laws and regulations, and their interpretation and application, may change from time to time, including with retroactive effect. As a result of such changes, investors might incur unanticipated tax liabilities and/or may lose tax benefits previously attaching to particular financial instruments. As a result, the actual investment return may differ (potentially, significantly) from the expected return. Dimensional UK is not responsible for providing tax advice and is not responsible for and provides no guarantee or assurance with respect to the tax treatment of any financial instrument.

*Bail-in Risk:* This is the risk that the financial instruments of certain issuers, including banking institutions, building societies, investment firms and certain banking group companies, may be subject to action taken by governmental, banking and/or other regulatory authorities, for example to address banking crises pre-emptively, whether or not the express terms of such financial instruments anticipate such action. The relevant authorities may have broad discretion on the action they may take and their powers may be extended in response to particular events. Examples of the action they may be able to take could include the following:

- (a) the reduction, including to zero, of the principal of the fixed income instruments of such issuers;
- (b) the conversion of such fixed income instruments into equity securities or other instruments of ownership (resulting in the dilution of ownership interests of existing shareholders);
- (c) the variation of the terms, including with respect to maturity, of such fixed income instruments; and
- (d) shareholders being divested of their shares.

*Corporate Actions Risk:* Dimensional UK generally determines whether a portfolio should elect on or otherwise attempt to participate in a corporate action based on a variety of factors, including the stated or expected value of the corporate action and restrictions placed on participation by the subject company or its agents or intermediaries (e.g., restrictions regarding



shareholders in certain jurisdictions). In its determination, Dimensional UK will consider the uncertainty of successful participation or other risks, such as the lack of timely notice or reliable information for the corporate action or risks in connection with the procedure, certifications, documentation or warranties that may be required. Where relevant, Dimensional UK can review risks presented by a corporate action against the other options available to a portfolio (e.g., selling rights or exiting the position in the subject company). Dimensional UK cannot ensure that a portfolio will participate in each corporate action for which a portfolio is eligible, for reasons such as lack of timely notice or reliable information.

*Non-Diversification Risk:* To the extent a portfolio invests its assets in a smaller number of issuers than a more diversified portfolio, gains or losses on a single security may have a greater impact on the portfolio's value and the portfolio may be subject to greater volatility.

### Equity Investments

*Method of Analysis and Investment Strategies.* Dimensional UK believes that equity investing should involve a long-term view and a systematic focus on sources of expected returns, not on stock picking or market timing. In constructing an equity investment portfolio, Dimensional UK generally identifies a broadly diversified universe of eligible securities with defined risk and return characteristics. It then places priority on efficiently managing portfolio turnover and keeping trading costs low. Generally, Dimensional UK does not intend to purchase or sell securities for investment portfolios based on prospects for the economy, the securities markets, or the individual issuers whose shares are eligible for purchase.

*Small Company Risk:* Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, smaller capitalization companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

*Value Investment Risk:* Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause a portfolio to at times underperform equity funds that use other investment strategies.

*Profitability Investment Risk:* High relative profitability stocks may perform differently from the market as a whole and following a profitability-oriented strategy may cause a portfolio to at times underperform equity funds that use other investment strategies.

*Growth Investment Risk:* Securities that have high valuation ratios and/or high profitability may perform differently from the market as a whole and an investment strategy purchasing these securities may cause a portfolio to at times underperform equity funds that use other investment strategies.





*Risks of Concentrating in the Real Estate Industry:* Portfolios that concentrate in the real estate industry will be exposed to the general risks of direct real estate ownership. The value of securities in the real estate industry can be affected by changes in real estate values and rental income, property taxes, and tax and regulatory requirements. In addition, the value of securities in the real estate industry may decline with changes in interest rates. Investing in REITs and REIT-like entities involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs and REIT-like entities are dependent upon management skill, may not be diversified, and are subject to heavy cash flow dependency and self-liquidation. REITs and REIT-like entities also are subject to the possibility of failing to qualify for tax free pass-through of income. Many foreign REIT-like entities are deemed for tax purposes to be passive foreign investment companies (PFICs), which could result in the receipt of taxable dividends to shareholders at an unfavorable tax rate. Also, because REITs and REIT-like entities typically are invested in a limited number of properties or in a particular market segment, these entities are more susceptible to adverse developments affecting a single property or market segment than more broadly diversified investments. The performance of the portfolio may be materially different from the broad equity market.

*Country/Region Market Risk:* The performance of portfolios that concentrate investments in a single country or region is expected to be closely tied to the social, political, and economic conditions within such country or region and may be more volatile than the performance of portfolios with more geographically diverse investments.

### *Fixed-Income Investments*

*Method of Analysis and Investment Strategies.* Dimensional UK believes that fixed income investing should involve a long-term view and a systematic focus on bond market risk and return, not on interest rate forecasting or market timing. In constructing a fixed-income investment portfolio, Dimensional UK generally identifies a broadly diversified universe of eligible securities with defined maturity ranges and credit quality characteristics. Dimensional UK will then seek to purchase a broad and diverse portfolio of securities meeting these credit quality standards.

*Interest Rate Risk:* Fixed income securities are subject to interest rate risk because the prices of fixed income securities tend to move in the opposite direction of interest rates. When interest rates rise, fixed income security prices fall. When interest rates fall, fixed income security prices rise. In general, fixed income securities with longer maturities are more sensitive to changes in interest rates.

*Credit Risk:* Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value, and thus, impact a portfolio's performance. Government agency obligations have different levels of credit support and, therefore, different degrees of credit risk. Securities issued by agencies and instrumentalities of the U.S. Government that are supported by the full faith and credit of the United States, such as the Federal Housing Administration and Ginnie Mae, present little credit



risk. Other securities issued by agencies and instrumentalities sponsored by the U.S. Government that are supported only by the issuer's right to borrow from the U.S. Treasury, subject to certain limitations, and securities issued by agencies and instrumentalities sponsored by the U.S. Government that are sponsored by the credit of the issuing agencies, such as Freddie Mac and Fannie Mae, are subject to a greater degree of credit risk. U.S. government agency securities issued or guaranteed by the credit of the agency may still involve a risk of non-payment of principal and/or interest.

*Income Risk:* Income risk is the risk that falling interest rates will cause a portfolio's income to decline because, among other reasons, the proceeds from maturing short-term securities in its portfolio may be reinvested in lower-yielding securities.

*Foreign Government Debt Risk:* The risk that (a) the governmental entity that controls the repayment of government debt may not be willing or able to repay the principal and/or to pay the interest when it becomes due, due to factors such as political considerations, the relative size of the governmental entity's debt position in relation to the economy, cash flow problems, insufficient foreign currency reserves, the failure to put in place economic reforms required by the International Monetary Fund or other multilateral agencies, and/or other national economic factors; (b) governments may default on their debt securities, which may require holders of such securities to participate in debt rescheduling; and (c) there is no legal or bankruptcy process by which defaulted government debt may be collected in whole or in part.

*Call Risk:* Call risk is the risk that during periods of falling interest rates, a bond issuer will call or repay a higher-yielding bond before its maturity date, forcing the portfolio to reinvest in bonds with lower interest rates than the original obligations.

*High Yield Risk:* Fixed income securities rated below investment grade may be subject to greater interest rate, credit and liquidity risks than investment grade securities. Fixed income securities that are below investment grade involve high credit risk and are considered speculative. Below investment grade fixed income securities may also fluctuate in value more than higher quality fixed income securities and, during periods of market volatility, may be more difficult to sell at the time and price desired.

*Risks of Investing for Inflation Protection:* Because the interest and/or principal payments on an inflation protected security are adjusted periodically for changes in inflation, the income distributed by a portfolio may be irregular. Although the U.S. Treasury guarantees to pay at least the original face value of any inflation-protected securities the Treasury issues, other issuers may not offer the same guarantee. Also, inflation-protected securities, including those issued by the U.S. Treasury, are not protected against deflation. As a result, in a period of deflation, the inflation-protected securities held by the portfolio may not pay any income and the portfolio may suffer a loss during such periods. While inflation-protected securities are expected to be protected from long-term inflationary trends, short-term increases in inflation may lead to a decline in a portfolio's value. For example, if interest rates rise due to reasons other than inflation, a portfolio's investment in these securities may not be protected to the extent that the increase is not reflected in the securities' inflation measures. In addition, positive adjustments to



principal generally will result in taxable income to a portfolio at the time of such adjustments (which generally would be distributed by the portfolio as part of its taxable dividends), even though the principal amount is not paid until maturity. The current market value of inflation-protected securities is not guaranteed and will fluctuate.

*Inflation-Protected Securities Interest Rate Risk:* Inflation-protected securities may react differently from other fixed income securities to changes in interest rates. Because interest rates on inflation-protected securities are adjusted for inflation, the values of these securities are not materially affected by inflation expectations. Therefore, the value of inflation-protected securities are anticipated to change in response to changes in “real” interest rates, which represent nominal (stated) interest rates reduced by the expected impact of inflation. Generally, the value of an inflation-protected security will fall when real interest rates rise and will rise when real interest rates fall.

*Inflation-Protected Securities Tax Risk:* Any increase in the principal amount of an inflation-protected security may be included for tax purposes in a portfolio’s gross income, even though no cash attributable to such gross income has been received by the portfolio. In such event, a portfolio may be required to make annual gross distributions to shareholders that exceed the cash it has otherwise received. In order to pay such distributions, a portfolio may be required to raise cash by selling its investments. The sale of such investments could result in capital gains to the portfolio and additional capital gain distributions to shareholders. In addition, adjustments during the taxable year for deflation to an inflation-indexed bond held by a portfolio may cause amounts previously distributed to shareholders in the taxable year as income to be characterized as a return of capital.

*Tax Liability Risk (municipal portfolios):* Tax liability risk is the risk that distributions by a portfolio become taxable to shareholders due to noncompliant conduct by a municipal bond issuer, unfavorable changes in federal or state tax laws, or adverse interpretations of tax laws by the Internal Revenue Service or state tax authorities or other factors. Such adverse interpretations or actions could cause interest from a security to become taxable, possibly retroactively, subjecting shareholders to increased tax liability. In addition, such adverse interpretations or actions could cause the value of a security, and therefore, the value of a portfolio’s shares, to decline.

*State-Specific Risk (municipal portfolios):* The investments of portfolios that focus their investments primarily in a single state’s municipal securities will be highly sensitive to events affecting the fiscal stability of such state and its agencies, municipalities, authorities and other instrumentalities that issue securities. These events may include economic or political policy changes, tax base erosion, unfunded pension and healthcare liabilities, state limits on tax increases, budget deficits and other financial difficulties, and changes in the credit ratings assigned to the state’s municipal issuers. A negative change in any one of these or other areas could affect the ability of the state’s municipal issuers to meet their obligations. If a portfolio invests in obligations of government issuers of a single state, there will be greater credit risk exposure to a smaller number of issuers due to economic, regulatory or political problems in the



state. It is important to remember that economic, budget and other conditions within a particular state can be unpredictable and can change at any time. For these reasons, an investment in a municipal portfolio that focuses its investments primarily in municipal securities of a single state involves more risk than an investment in a fund that does not focus on municipal securities of a single state.

*TBA Securities Risk:* If a portfolio invests in “to be announced” or “TBA” securities, it is subject to similar risks to those with when-issued or forward commitment transactions. TBA securities represent an agreement to buy or sell mortgage-backed securities with agreed-upon characteristics for an approximate principal amount, with settlement on a scheduled future date beyond the typical settlement period for most other securities. A portfolio may use TBA securities for investment purposes to gain exposure to certain securities, or for hedging purposes. A TBA transaction typically does not designate the actual security to be delivered. For a TBA transaction, it is possible that the securities will never be issued and the commitment cancelled. The value of the security to be purchased or sold is subject to market fluctuations and may be worth more or less on the settlement date than the amount committed to pay or receive for the security.

#### Derivatives

*Method of Analysis and Investment Strategies.* Certain portfolios may purchase or sell futures contracts and options on futures contracts to adjust market exposure based on actual or expected cash inflows to or outflows from a portfolio. Certain portfolios may also use derivatives, such as swaps, futures and forwards to hedge against fluctuations in currency exchange rates; transfer balances from one currency to another; hedge credit exposure; seek inflation protection; gain market or issuer exposure without owning the underlying securities; or to seek to increase the portfolio’s total return.

*Various Risks:* Derivatives are instruments, such as swaps, futures, and options thereon, as well as foreign exchange forward contracts, whose value is derived from that of other assets, rates or indices. Derivatives can be used for hedging (attempting to reduce risk by offsetting one investment position with another) or non-hedging purposes. Hedging with derivatives may increase expenses, and there is no guarantee that a hedging strategy will work. While hedging can reduce or eliminate losses, it also can reduce or eliminate gains or cause losses if the market moves in a manner different from that anticipated by the portfolio or if the cost of the derivative outweighs the benefit of the hedge. The use of derivatives for non-hedging purposes may be considered to carry more risk than other types of investments. When a portfolio uses derivatives, the portfolio will be directly exposed to the risks of those derivatives. Derivatives expose a portfolio to counterparty risk (the risk that the derivative counterparty will not fulfill its contractual obligations), including credit risk of the derivative counterparty, and settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty). The possible lack of a liquid secondary market for derivatives and the resulting inability of a portfolio to sell or otherwise close a derivatives position could expose the portfolio to losses and could make derivatives more difficult for the



portfolio to value accurately. Some derivatives are more sensitive to interest rate changes and market price fluctuations than other securities. A portfolio could also suffer losses related to its derivatives positions as a result of unanticipated market movements, which losses are potentially unlimited. Dimensional UK may not be able to predict correctly the direction of securities prices, interest rates, currency exchange rates, and other economic factors, which could cause a portfolio's derivatives positions to lose value. Valuation of derivatives may also be more difficult in times of market turmoil since many investors and market makers may be reluctant to purchase derivatives or quote prices for them. Changes in the value of a derivative may not correlate perfectly with the underlying asset, rate, or index; and the portfolio could lose more than the principal amount invested.

*Currency Hedging Risk:* Certain portfolios may enter into foreign currency forward contracts to seek to protect against uncertainty in the level of future foreign currency rates, to hedge against fluctuations in currency exchange rates or to transfer balances from one currency to another. With currency hedging, it is generally not possible to precisely match the foreign currency exposure of such foreign currency forward contracts to the value of the securities involved due to factors including fluctuations in the market values of such securities. The decision to hedge a portfolio's currency exposure with respect to a foreign market will be based on, among other things, a comparison of the respective, relevant interest rates and the portfolio's existing exposure to a given foreign currency.

*Collateral Risk:* Financial instruments and/or strategies relating to financial instruments may involve exposure to the risks associated with the provision of collateral (sometimes referred to as "margin"). For example, if an investor enters into a derivatives transaction, the investor may be required to provide the counterparty with collateral to mitigate the risk that the investor might fail to perform the obligations arising under the derivatives transaction; and depending on the nature of the derivatives transaction and changes in the value of the underlying asset, the investor may be required to deposit additional collateral. Failure to provide collateral may result in the termination of the relevant transaction and the investor will remain liable for any remaining losses.

Where collateral is provided, the recipient of the collateral may reserve the right to return "equivalent" collateral rather than the same collateral. In many circumstances, this right is primarily intended to address issues relating to the delivery of collateral that is "fungible" in nature. Assets are fungible where they are equivalent and, therefore, interchangeable. For example, ordinary shares of the same issuer are fungible with one another. However, those rights may entitle the counterparty to return other assets and/or cash.

Further, the investor may be exposed to the credit risk of the person (typically the counterparty to the transaction) to whom the collateral is provided in the event that the collateral is not returned and the investor may be an unsecured creditor with respect to any claim in the event of the insolvency of the person to whom the collateral has been provided.





In certain circumstances (for example, in the case of exchange traded derivatives), the investor's collateral may be passed on to third parties, including clearing houses and clearing brokers. In such circumstances, the investor may be exposed to the risk that the third party fails to return the collateral, for example in the event of that third party's insolvency.

The arrangements under which collateral is provided and held may be governed by the laws of jurisdictions other than the jurisdiction in which the investor is located and/or with which the investor is familiar.

*Obligations Additional to the Costs of Acquiring an Investment:* An investor might assume, as a result of transactions in certain financial instruments, financial commitments and other additional obligations, including contingent liabilities, additional to the cost of acquiring the instruments. For example, these may arise under certain derivatives transactions and other transactions where one or both parties are exposed to the credit (or performance) risk of the other party with respect to obligations to be performed at a future point in time, for example repos (repurchase or sell/buy-back transactions) and securities lending transactions.

#### Commodity Strategy Portfolio

Dimensional UK acts as sub-advisor to the DFA Commodity Strategy Portfolio of DFA Investment Dimensions Group Inc. (the "Commodity Portfolio"). The Commodity Portfolio invests in commodity-linked derivative instruments and fixed income investments. The Commodity Portfolio may invest up to 25% of its total assets in Dimensional Cayman Commodity Fund I Ltd. (the "Subsidiary"), a wholly-owned subsidiary of the Commodity Portfolio formed in the Cayman Islands, which has the same investment objective as the Commodity Portfolio and has a strategy of investing in derivative instruments, such as commodity-linked swap agreements and other commodity-linked instruments, futures contracts on individual commodities or commodity indices, and options on these instruments.

*Method of Analysis and Investment Strategies.* Dimensional UK believes that commodity investing should involve a long-term view and a systemic focus on risk and return, instead of focusing on forecasting or market timing.

*Commodity Risk:* The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs, and international economic, political, and regulatory developments.

Use of leveraged commodity-linked derivatives creates an opportunity for increased return but, at the same time, creates the possibility for greater loss (including the likelihood of greater volatility of the Commodity Portfolio's net asset value), and there can be no assurance that the Commodity Portfolio's use of leverage will be successful.

*Derivatives Risk:* Derivatives can be used for hedging (attempting to reduce risk by offsetting one investment position with another) or non-hedging purposes. While hedging can reduce or



eliminate losses, it also can reduce or eliminate gains. The use of derivatives for non-hedging purposes may be considered to carry more risk than other types of investments. When the Commodity Portfolio uses derivatives, it will be directly exposed to the risks of those derivatives. Derivative instruments are subject to a number of risks, including commodity, counterparty, correlation, interest rate, liquidity, market, credit and management risks, as well as the risk of improper valuation. The Commodity Portfolio also may use derivatives for leverage. The Commodity Portfolio's use of derivatives, particularly commodity-linked derivatives, involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Changes in the value of a derivative may not correlate perfectly with the underlying asset, rate, or index, and the Commodity Portfolio could lose more than the principal amount invested. For example, potential losses from commodity-linked notes or swap agreements can be unlimited. Additional risks are associated with the use of credit default swaps, including counterparty and credit risk (the risk that the other party to a swap agreement will not fulfill its contractual obligations, whether because of bankruptcy or other default) and liquidity risk (the possible lack of a secondary market for the swap agreement). Credit risk increases when the Commodity Portfolio is the seller of swaps and counterparty risk increases when the Commodity Portfolio is a buyer of swaps. In addition, where the Commodity Portfolio is the seller of swaps, it may be required to liquidate portfolio securities at inopportune times in order to meet payment obligations or segregation requirements. Swaps may be illiquid or difficult to value. Also, suitable derivative transactions may not be available in all circumstances and there can be no assurance that the Commodity Portfolio will engage in these transactions to reduce exposure to other risks when that would be beneficial.

*Focus Risk:* The Commodity Portfolio may be exposed, from time to time, to the performance of a small number of commodity sectors (e.g., energy, metals or agricultural), which may represent a large portion of the Commodity Portfolio. As a result, the Commodity Portfolio may be subject to greater volatility than if it were more broadly diversified among commodity sectors.

*Leveraging Risk:* Certain transactions that the Commodity Portfolio may enter into may give rise to a form of leverage. Such transactions may include, among others, structured notes, swap agreements, futures contracts, and loans of portfolio securities. The use of leverage may cause the Commodity Portfolio to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet segregation requirements. Leverage may cause the Commodity Portfolio to be more volatile than if it had not been leveraged. This is because leverage tends to exaggerate the effect of any increase or decrease in the value of the securities utilized in the Commodity Portfolio.

*Regulatory Risk:* Governments, agencies, or other regulatory bodies may adopt or change laws or regulations that could adversely affect the issuer, the market value of the security, or the Commodity Portfolio's performance.

*Valuation Risk:* The lack of an active trading market may make it difficult to obtain an accurate price for a security utilized in the Commodity Portfolio. Many commodity-linked derivative instruments are not actively traded.



*Subsidiary Risk:* By investing in the Subsidiary, the Commodity Portfolio is indirectly exposed to the risks associated with the Subsidiary's investments. The derivatives and other investments held by the Subsidiary are generally similar to those that are permitted to be held by the Commodity Portfolio and are subject to the same risks that apply to similar investments if held directly by the Commodity Portfolio. There can be no assurance that the investment objective of the Subsidiary will be achieved. The Subsidiary is not registered under the Investment Company Act of 1940, as amended (the "1940 Act"), and, unless otherwise noted in the Commodity Portfolio's prospectus, is not subject to all of the investor protections of the 1940 Act. Subsidiary Risk is more fully described in the prospectus, SAI or other offering documents of the Commodity Portfolio.

*Tax Risk:* The tax treatment of commodity-linked derivative instruments may be adversely affected by changes in legislation, regulations or other legally binding authority. If, as a result of any such adverse action, the income of the Commodity Portfolio from certain commodity-linked derivatives was treated as non-qualifying income, the Commodity Portfolio might fail to qualify as a regulated investment company and be subject to federal income tax at the portfolio level. Tax Risk is more fully described in the prospectus, SAI or other offering documents of the Commodity Portfolio.

#### *Securities Class Actions and Similar Proceedings*

From time to time, clients of Dimensional UK own or have owned securities or engaged in transactions that are the subject of class action lawsuits. Generally, in U.S. courts, persons or entities that have held or transacted in the subject securities or transactions within a specified class period are entitled to participate in the recovery or settlement in a class action lawsuit by filing proofs of claim. All class members normally are bound by a court approved settlement or judgment in a class action unless they have filed a timely opt out notice with the court's claim administrator. The filing of proofs of claim or an opt out notice in class actions is an action that should be undertaken by the client, custodian, or other service provider for the client, and Dimensional UK shall not perform such action unless Dimensional UK has, in a particular case, expressly agreed in writing to accept such an obligation and is provided by the custodian and client with all necessary information and appropriate authorization to permit Dimensional UK to represent the account in such class action(s). Dimensional UK does not actively seek out information concerning pending class actions.

With respect to securities and certain other types of class actions in U.S. or Canadian courts, each U.S. Dimensional Fund has arrangements with a service provider to provide class action claims filing services. These services include the responsibility generally to file class action claims for all monies or other property associated with U.S. or Canadian portfolio securities held, or transactions engaged in, by a U.S. Dimensional Fund, including coordinating with the custodian with respect to the collection process to the extent a U.S. Dimensional Fund appears to be eligible. Such duties include monitoring for information regarding pending class action lawsuits, making a determination of a U.S. Dimensional Fund's eligibility to participate in a class, filing proofs of claim and coordinating with the custodian with respect to collecting class





action lawsuit settlement proceeds. A U.S. Dimensional Fund may choose to opt-out of a securities class action in a U.S. court and file a direct action against the defendants. In such instances, Dimensional US may assist the U.S. Dimensional Fund by working with the Fund's independent counsel to evaluate the prospective litigation and proposed litigation counsel. Dimensional US does not consider the interests of other accounts that it manages when it assists eligible U.S. Dimensional Funds in evaluating prospective opt-out litigation.

With respect to a non-U.S. security held by a U.S. Dimensional Fund that is subject of a class action or similar proceeding filed in a judicial system in certain jurisdictions outside the United States or Canada, each U.S. Dimensional Fund has arrangements with a service provider to provide claims filing services. These services include the responsibility generally, at the direction of Dimensional US or Dimensional UK, to file claims for all monies or other property associated with the portfolio securities held, or transactions engaged in, by a U.S. Dimensional Fund, including coordinating with the custodian with respect to the collection process to the extent a U.S. Dimensional Fund appears to be eligible. Such duties include monitoring for information regarding pending class action lawsuits or similar proceedings making a determination of a U.S. Dimensional Fund's eligibility to participate in the litigation, providing information regarding eligibility to participate, and related information to Dimensional US or Dimensional UK. When the proceeding in the non-U.S. jurisdiction is comparable to the U.S. system in that it is unlikely to result in liability to a passive participant, Dimensional US may perform a cost/benefit analysis on behalf of the affected U.S. Dimensional Fund, to determine whether or not it is in the best interest of the affected U.S. Dimensional Fund to participate, without regard to the interests of other accounts Dimensional US manages. To the extent that Dimensional US determines it is beneficial for the affected U.S. Dimensional Funds to participate in a non-U.S. class action or similar proceeding, the service provider will typically file class action claims for all monies or other property associated with the affected security, including coordinating with the custodian with respect to the collection process, filing proofs of claim, and coordinating with the custodian with respect to collecting class action lawsuit settlement proceeds.

With respect to U.S. separate account clients and U.S. sub-advised fund clients, typically neither Dimensional US nor Dimensional UK agrees to act with respect to legal proceedings involving securities held or transactions entered by the account including, but not limited to, class actions or bankruptcies, except in any particular case where Dimensional US or Dimensional UK has expressly agreed in writing to undertake such an obligation and is provided by the custodian and client with all necessary information and appropriate authorization to permit Dimensional US or Dimensional UK to represent the account in such proceeding(s). In addition, Dimensional US or Dimensional UK will only be obligated to assist with notifying a client of or monitoring for class actions or assisting with the filings of proofs of claim to the extent Dimensional US or Dimensional UK has expressly agreed in writing to assume these responsibilities, even if another account that Dimensional US or Dimensional UK manages may be participating in the class action or legal proceeding.

Typically, the custodian for the account is the party that receives legal notices for the account and is responsible for notifying the client directly of the action, pursuant to its custodial agreement with the client. If the client has an arrangement for its custodian to notify it of class



actions, the client may then evaluate its individual facts and ownership circumstances including the client's overall holdings of that security to determine if participation is in the best interests of the client.

## **Item 9 – Disciplinary Information**

A registered investment adviser is required to disclose in this Item all material facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of the adviser or the integrity of the adviser's management. Dimensional UK has no disciplinary information to report under this Item.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Dimensional UK has several affiliated entities engaged in other financial industry activities.

### *Affiliated Broker-Dealer*

Dimensional US has a wholly-owned limited-purpose broker-dealer subsidiary, DFA Securities LLC ("DFA Securities"), which acts as distributor of shares of the U.S. Dimensional Funds advised by Dimensional US. Certain of Dimensional US's or Dimensional UK's personnel, including management personnel, are registered representatives of DFA Securities.

Dimensional Hong Kong Limited, an indirect subsidiary of Dimensional US and affiliate of Dimensional UK, holds a Type 1 dealing in securities license in Hong Kong to market collective investment schemes managed by its affiliates to professional investors. Dimensional Canada (defined below) acts as an exempt market dealer to certain Canadian investors purchasing U.S. Dimensional Funds or UCITS funds on a private placement basis for which it receives a fee equivalent to Dimensional Canada's expenses plus a percentage, payable by Dimensional US or Dimensional UK depending on the fund privately placed.

### *Affiliated Investment Advisors*

Dimensional UK is affiliated with several other investment advisors, which are:

- Dimensional US.
- DFA Australia Limited ("Dimensional Australia"), a subsidiary of Dimensional US.
- Dimensional Fund Advisors Canada ULC ("Dimensional Canada"), an indirect subsidiary of Dimensional US.
- Dimensional Japan Ltd. ("Dimensional Japan"), a subsidiary of Dimensional US.



- Dimensional Fund Advisors Pte. Ltd. (“Dimensional Singapore”), an indirect subsidiary of Dimensional US.
- Dimensional Ireland Limited (“Dimensional Ireland”), a subsidiary of Dimensional US.

In providing services to a client, Dimensional UK may use personnel or services of one or more of its Affiliated Investment Advisors. Services provided by these affiliates or their personnel may include investment advice, portfolio execution and trading, back office processing, accounting, reporting and client servicing. These services are provided through arrangements that take a variety of forms, including dual employee, participating affiliate, delegation arrangement, sub-advisory, consulting, or other servicing agreements. When using such arrangements, Dimensional UK remains responsible for the account from a legal and contractual perspective. Clients are not charged any fees other than those specified in the client’s agreement with Dimensional UK.

Dimensional UK provides trading and other investment advisory services to Dimensional US in connection with Dimensional US’s management of certain U.S. Dimensional Funds, as disclosed in their respective prospectuses and SAIs, and also to certain of Dimensional US’s separate account and other clients. Dimensional UK may also provide investment, trade execution and related services to Dimensional US in connection with Dimensional US’s management of its other mutual fund clients, separate account clients and other clients investing in non-U.S. securities. For such services, Dimensional UK receives a fee equivalent to certain of Dimensional UK’s expenses plus a percentage, payable by Dimensional US. Clients of Dimensional US will not be required to pay additional fees to Dimensional UK for such services.

In addition, Dimensional UK has entered into sub-advisory agreements with Dimensional US and Dimensional Australia relating to the management of certain of the funds of Dimensional Funds ICVC, an investment company with variable capital registered in England and Wales for which Dimensional UK acts as the Authorized Corporate Director, certain of the funds of Dimensional Funds plc, an Irish Undertaking for Collective Investment in Transferable Securities (“UCITS”) for which Dimensional UK acts as the investment manager, and certain of the funds of Dimensional Funds II plc, an Irish UCITS for which Dimensional UK acts as the investment manager.

Dimensional Singapore may provide trading and other investment advisory services to Dimensional UK in connection with Dimensional UK’s management of certain of the funds Dimensional UK manages or certain of Dimensional UK’s non-U.S. separate accounts or other clients investing in non-U.S. securities. Dimensional Singapore may service Dimensional UK non-U.S. clients in a sub-advisory capacity. For such services, Dimensional Singapore receives a fee equivalent to certain of Dimensional Singapore’s expenses plus a percentage, payable by Dimensional UK. No additional fee is payable to Dimensional Singapore by such clients.

Dimensional Japan may provide trading and other investment advisory services to Dimensional UK in connection with Dimensional UK’s management of certain of the funds Dimensional UK manages or certain of Dimensional UK’s non-U.S. separate accounts or clients investing in non-



U.S. securities. Dimensional Japan may service Dimensional UK non-U.S. clients in a sub-advisory or agency capacity. For such services, Dimensional Japan receives a fee equivalent to certain of Dimensional Japan's expenses plus a percentage, payable by Dimensional UK. No additional fee is payable to Dimensional Japan by such clients.

Dimensional UK, under the supervision of Dimensional US, also provides sub-advisory services to certain funds managed by Dimensional Canada.

#### Trust Vehicles

Dimensional US serves as investment manager to a collective trust fund, the DFA Group Trust, which consists of various subtrusts in which assets of qualified defined benefit plans are invested. Dimensional US also serves as investment advisor to the investment funds of the Dimensional Collective Investment Trust, which are available for the benefit of certain qualified defined benefit and defined contribution plans, and certain trusts, entities or accounts that invest the assets of such plans.

#### Affiliated Recordkeeper

Dimensional US has an affiliated entity, Dimensional Retirement Plan Services LLC ("DRPS"), which formerly provided recordkeeping services to retirement plans. DRPS no longer provides services and is in the process of dissolving.

#### Payments to Non-Affiliates

Dimensional UK's Affiliated Investment Advisors have entered into arrangements with certain unaffiliated third parties pursuant to which such Affiliated Investment Advisors make payments from their own assets or provide services to such unaffiliated third parties as further described in Item 14 below. Certain of the unaffiliated third parties who have entered into such arrangements with Dimensional UK's Affiliated Investment Advisors are affiliated with independent financial advisors whose clients may invest in funds managed by Dimensional UK or its Affiliated Investment Advisors. Generally, the Affiliated Investment Advisors do not consider the existence of such arrangements with an affiliate by itself to be determinative in assessing whether a financial advisor is independent. Item 14 also provides further information regarding Dimensional UK's business arrangements and non-advisory services.

### **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Dimensional UK has adopted a Global Code of Ethics and Standard of Conduct to maintain the appropriate standard of professional conduct at Dimensional UK and otherwise aid in meeting the requirements of Rule 17j-1 of the 1940 Act as well as Rule 204A-1 of the Advisers Act. The Code applies to officers, general partners, directors/trustees and employees of Dimensional UK and its Affiliated Investment Advisors, in addition to other persons as required (collectively,



“Access Persons”). Dimensional UK will provide a copy of its Code and Standard of Conduct to any client or prospective client upon request.

The Code seeks to ensure that Access Persons act in the interest of clients with respect to any personal trading of securities. The Code contains: (i) certain reporting requirements applying to purchases of funds advised by Dimensional UK and its Affiliated Investment Advisors as well as investment accounts in which Access Persons have beneficial ownership and (ii) pre-clearance procedures for personal securities transactions. The Code requires all Access Persons to pre-clear with a compliance officer trades in certain securities, such as stocks, bonds, and derivatives. Access Persons are also prohibited from participating in certain transactions, such as initial public offerings. Subject to the terms of the Code, employees of Dimensional UK may purchase for their own accounts shares of the funds advised by Dimensional UK and/or its Affiliated Investment Advisors or securities that Dimensional UK and/or its Affiliated Investment Advisors recommend that their clients (including the funds they advise) purchase.

Dimensional UK, Dimensional US, Dimensional Australia and related persons of those advisers may recommend to clients that they buy or sell shares or units of investment funds advised or administered by any of those investment advisers. Additionally, at certain times, related persons of Dimensional UK, Dimensional US, or Dimensional Australia may have a greater than 25% interest in one or more of these funds.

Dimensional US’s subsidiary, DFA Securities, a limited purpose broker-dealer, provides services to certain personal brokerage accounts established and maintained with third-party custodians or broker-dealers as an accommodation by DFA Securities to certain individuals seeking to invest in U.S. Dimensional Funds and obtain communication and reporting services from the third party not generally provided by Dimensional US. Transactions to buy and sell shares of the U.S. Dimensional Funds are placed through the third party and neither Dimensional US nor DFA Securities provides advice or recommendations in connection with such transactions.

Dimensional UK is authorized and regulated by the Financial Conduct Authority (“FCA”) and subject to the European Union’s Markets in Financial Instruments Directive (Directive 2014/65/EU) along with its accompanying regulation, the Markets in Financial Instruments Regulation (Regulation 600/2014/EU) (collectively, “MiFID II”). To enable Dimensional UK to meet its obligations as set out by the FCA, and due to the various potential conflicts of interest that are inherent in the investment management industry, Dimensional UK has adopted a written policy (the “Conflicts of Interest Policy”) and other related procedures which seek to prevent, manage, inform and monitor such potential conflicts of interest. The Conflicts of Interest Policy sets out Dimensional UK’s principles and guidelines for seeking to reasonably prevent and manage conflicts of interest and protect the interests of its clients.

MiFID II (as implemented in the FCA rules) regulates the manner in which Dimensional UK is permitted to receive from third parties any fee, commission or non-monetary benefit (“Inducements”) that relate to services Dimensional UK provides to clients. MiFID II also regulates the manner in which Dimensional UK can provide Inducements to third parties. To facilitate Dimensional UK’s compliance with these regulations, Dimensional UK has adopted a



written policy (the “Inducements Policy”) with respect to the MiFID II Inducements rules that applies to employees, officers and directors of Dimensional UK when carrying out business activities pursuant to Dimensional UK’s FCA permissions on behalf of Dimensional UK. The Inducements Policy supplements other Dimensional UK policies that deal with Inducements-related issues, including the Code, Standard of Conduct, and the Conflicts of Interest Policy.

Dimensional UK strictly prohibits bribery or other improper payments in any of its business operations, and has adopted policies and procedures, including those outlined in a written “Policy Against Bribery and Corruption” and the Code and Standard of Conduct, that are designed to prevent such improper payments. Dimensional UK has incorporated into the Policy Against Bribery and Corruption specific policies designed to assist Dimensional UK in meeting its obligations under the UK Bribery Act 2010, as amended, and the Criminal Finances Act 2017. The Policy Against Bribery and Corruption describes Dimensional UK’s procedures and approach to bribery and corruption and seeking to prevent the facilitation of tax evasion. Dimensional UK will provide the Conflicts of Interest Policy, the Inducements Policy, and/or the Policy Against Bribery and Corruption to any client or prospective client upon request.

## **Item 12 – Brokerage Practices**

### *Selection of Broker-Dealers*

Dimensional UK’s overriding objective in selecting brokers and dealers to effect transactions in securities and derivatives (with respect to foreign currency transactions, subject to the limitations described below) for clients is to seek the best net result in terms of price and execution so a client’s total cost or proceeds are the most favorable under the circumstances. Cost includes the “all in” costs of the trade or proceeds, not necessarily the lowest commission rate, nor the most expeditious execution. The best net price, giving effect to brokerage commission, if any, is an important factor in this decision; however, in selecting brokers and dealers for any transaction, a number of judgmental factors also may enter into the decision. These factors may include one or more of the following: Dimensional UK’s knowledge of negotiated commission rates currently available and other transaction costs; the nature of the security being purchased or sold; the size of the transaction; the desired timing of the transaction; the activity existing and expected in the market for the particular security; confidentiality; the execution, clearance, and settlement capabilities of the broker or dealer selected; local market compliance or restrictions; and whether the legal agreements and operational systems considered to be necessary or desirable by Dimensional UK to use a broker or dealer, or a counterparty, are in place. Dimensional UK may also execute client transactions with brokers and dealers that have customized their technology to facilitate Dimensional UK’s trading process. This gives Dimensional UK an incentive to execute through such brokers and dealers in order to realize operational efficiencies.

Orders to buy or sell fixed income securities are typically placed on a competitive basis when available with a reasonable attempt made to obtain multiple competitive bids or offers from dealers consistent with the advisor’s needs in terms of speed, availability and reliability. Generally, there is no stated commission in the case of fixed income securities which





are traded in the over-the-counter markets. The price paid by the client often includes an undisclosed dealer mark-up.

Equity commissions vary by stock price, country, type of brokerage and execution style, or portfolio. Futures commissions vary by contract type, broker, or portfolio. Some foreign exchange transactions have commissions or discretionary spreads which vary by currency, execution style, counterparty, custodian, or client.

Dimensional UK also makes use of direct market access and algorithmic, program or electronic trading methods. Dimensional UK extensively uses electronic trading systems as such systems can provide the ability to customize the orders placed and can assist in Dimensional UK's execution strategies.

Pursuant to MiFID II, Dimensional UK will summarize and make public on its website on an annual basis for each class of financial instrument in which it executes orders, or transmits orders to brokers for execution for, or on behalf of, clients, certain information required to be provided pursuant to MiFID II with respect to execution venues, brokers used and the quality of execution obtained.

Dimensional UK will, upon reasonable request from a client, provide to the client information about brokers to which orders are transmitted or execution venues where orders are placed for execution.

#### *FCA Best Execution Obligations*

Dimensional UK is subject to the FCA's best execution rules. Accordingly, Dimensional UK has adopted certain policies and procedures to assist it in taking sufficient steps to obtain, when executing orders, the best possible result for its clients, considering various execution factors. Dimensional UK must act in accordance with the best interests of its clients when transmitting to, or placing orders with, brokers for execution, where those orders result from decisions by Dimensional UK to deal in financial instruments on behalf of its clients. When directly executing orders, Dimensional UK must take all sufficient steps to obtain the best possible result in the context of the management of the client's portfolio. Certain policies and procedures designed to comply with FCA rules will not apply to the extent that Dimensional UK follows specific instructions from a client when placing an order with, or transmitting an order to, another entity for execution, as to how to execute an order.

In addition to the factors listed above, and in accordance with FCA rules, Dimensional UK seeks to achieve the best possible result when executing orders for its clients, and in doing so takes into account the following relevant execution factors: (1) price; (2) likelihood of execution and settlement; (3) costs; (4) speed; (5) order size; (6) nature of the order; and (7) any other consideration relevant to the execution of an order. When executing a client order, the relative importance of the execution factors must be determined by reference to the following execution criteria: (1) the characteristics of the client including the categorization of the client (e.g., as professional); (2) the characteristics of the client order (e.g. size), including where the order



involves a securities financing transaction; (3) the characteristics of the financial instrument that are subject to the order; (4) the characteristics of the brokers and/or execution venues to which that order can be directed; and (5) in Dimensional UK's capacity as a UCITS management company, the objectives, investment policy and risks specific to the UCITS as indicated in the Schemes' prospectus or instrument constituting such funds. When executing orders or taking decisions to deal in over-the-counter products, Dimensional UK must check the fairness of the proposed price by gathering market data used in the estimation of the price of such product and, where possible, by comparing with similar or comparable products.

#### *"Soft Dollars" Practices*

Dimensional UK does not presently use client brokerage commissions to generate credits to purchase brokerage or research services. Dimensional directs client transactions to broker-dealers that provide brokerage services in pursuit of best execution. To the extent that Dimensional UK receives research or brokerage services without charge from broker-dealers with whom Dimensional UK places client transactions, or if it determines in the future to resume soft dollar crediting arrangements, it will do so in a manner consistent with Section 28(e) of the Securities Exchange Act, MiFID II and FCA rules, as applicable.

Should Dimensional UK use soft dollars, it could receive a wide range of brokerage and research services provided by brokers and dealers. To the extent that these are permissible by applicable FCA rules, brokerage and research services acquired with soft dollar credits may include: general economic or industry reports or research data compilations; compilations of securities prices, earnings, dividends, and similar data; computerized databases; quotation services; and services of economic or other consultants. Brokerage services may also include post-trade matching; electronic communication of allocation instructions and other messages related to trade processing communication, confirmation and settlement among broker-dealers, custodians, and institutions; and portfolio accounting, reporting and reconciliation. Brokerage services may be used by Dimensional UK for the benefit of clients other than the client(s) that paid commissions to the broker providing such products or services.

Research or brokerage services obtained through soft dollars would be supplemental to Dimensional UK's own efforts. Dimensional UK would expect to receive a "benefit" because it does not have to produce or pay for the research, products, or services. If there are trades that generate soft dollar credits, commission rates are generally higher than "execution only" rates and, as such, increase client expenses. Accordingly, any future soft dollar arrangements may create a conflict of interest between Dimensional UK and its clients.

If a product or service obtained by Dimensional UK has both eligible research and brokerage and non-eligible-research and brokerage benefits, based on a good faith showing Dimensional UK would treat the product as a "mixed use" item and would pay for the non-eligible portion with cash rather than soft dollars.





### MiFID II Implications

MiFID II provides that investment advisers registered in the European Union may receive research provided by third parties only if certain requirements are met. In light of these requirements, Dimensional UK, through its own resources, endeavors to bear the cost of any research, as defined under MiFID II, that is received in connection with managing client accounts subject to MiFID II requirements, including any benefits provided without charge. In doing so, Dimensional UK will pay directly for any such benefits out of its own resources.

### Settlement Failures

If any securities transaction fails to settle or otherwise be completed when and as contractually required because of an error by a broker or dealer, Dimensional UK will not be responsible for the actions or failures to act of any such broker or dealer. Notwithstanding the above, Dimensional UK's obligations with respect to any settlement failures for a particular client or account are controlled by the undertakings Dimensional UK has agreed to in writing for that particular client or account. Similarly, where Dimensional UK has agreed in writing to certain undertakings when a settlement failure occurs as a result from Dimensional UK's actions or failures to act, any responsibility or undertakings would only apply in situations where the settlement failure was directly caused by Dimensional UK's actions or inactions and would not have otherwise occurred.

### Trade Errors

Trade errors ("Trade Errors") may occur in connection with Dimensional UK's management of client accounts. Dimensional UK has policies and procedures that address identification and handling of Trade Errors, consistent with applicable standards of care and any relevant offering documents or client agreements. Dimensional UK makes its determinations regarding Trade Errors pursuant to its policies and procedures.

The assessment of compensation for Trade Errors is performed on a case-by-case basis under the appropriate facts, per Dimensional UK's policy. Trades not in accordance with one or more internal guidelines or procedures that Dimensional UK may establish from time to time will not be considered Trade Errors if they do not also breach guidelines in a prospectus, statement of additional information, or those agreed with a client, or violate applicable law. Unless otherwise agreed in writing between Dimensional UK and a client, Dimensional UK will not be responsible for errors caused by Dimensional UK's reasonable reliance on certain third parties (such as brokers, data providers, and custodians). Dimensional UK generally notifies clients of any identified and corrected Trade Error, but the form and timing of this notification may differ based on the particular account and the facts and circumstances.



As a general policy, Dimensional UK will make clients whole for losses Dimensional UK caused due to a Trade Error. Resolution of Trade Errors may include, but is not limited to, permitting client accounts to retain gains or reimbursing client accounts for losses resulting from the Trade Error. The calculation of the amount of any gain or loss will depend on the particular facts surrounding the Trade Error, and the methodology used by Dimensional UK to calculate gain or loss may vary. Compensation is generally expected to be limited to direct and actual out-of-pocket monetary losses (in certain circumstances, net of any associated gains). The policy of making clients whole for realized or unrealized losses does not apply to negative investment performance returns resulting from the good faith implementation of an investment strategy.

### *Directed Brokerage*

Because of the efficiencies that Dimensional UK seeks through its trading practices, Dimensional UK does not recommend and currently does not permit any one client invested in any mutual fund or other commingled client account to direct portfolio transactions to a specified broker or dealer (i.e., “directed brokerage”). A separate account client may negotiate a directed brokerage arrangement pursuant to which some or all of the client’s transactions are executed with the broker or dealer with which the client has established an account. In this case, the client should recognize that for those transactions in which Dimensional UK is directed to use certain brokers or dealers, brokerage commissions (or other costs) for the execution of transactions in the client’s account may not be negotiated by Dimensional UK. In addition, Dimensional UK may not be free to seek best price and execution for securities and futures transactions by placing transactions with other brokers or dealers. The client assumes that risk.

Similarly, a separate account client may establish an account with certain custodians that impose additional fees or transaction costs for using brokers or dealers not affiliated with or preferred by the custodian. In such cases, the imposition of the additional fee adversely impacts Dimensional UK’s ability to seek best price and execution for securities and derivatives transactions by placing transactions with other brokers or dealers. Again, the client assumes that risk.

Notwithstanding the foregoing, the client may give Dimensional UK the authority to execute transactions on a “step-out” or “trade away” basis to the extent necessary to achieve best execution. In this situation, any brokerage commissions charged in connection with a step-out transaction are not covered by the client’s brokerage arrangements and the client shall bear such costs. Clients may wish to satisfy themselves in a directed brokerage arrangement that the broker or dealer participating in the arrangement can provide adequate price and execution of most or all transactions. A client should also consider that, depending upon the fee the client negotiates with the broker, the amount of portfolio activity in the client’s account, the value of custodial services which are provided under the arrangement and other factors, the fee the client pays may exceed the amount the client would pay if Dimensional UK were free to negotiate commissions and seek best price and execution of transactions for the client’s account. Additionally, a client who directs trades to particular brokers may not be able to participate in block trades. Dimensional UK reserves the right to execute trades for directed accounts only after it has executed trades for its other accounts.



### Foreign Currency Exchange Transactions

If a written agreement between the client and Dimensional UK expressly provides that Dimensional UK may select currency dealers to effect the client's currency exchange transactions or gives Dimensional UK the authority and discretion to execute currency exchange transactions on a "trade-away" basis (i.e., transactions not executed with the account's custodian), Dimensional UK's objective is to seek an improved execution result in terms of net price for currency exchange transactions in light of all applicable fees and charges. For currencies that Dimensional UK considers to be freely deliverable, Dimensional UK generally attempts to meet its objective by competing currency exchange transactions among multiple currency dealers and transacting at the best quoted rate for the client, net of any applicable trade-away charges (charges for trades not executed with the custodian).

In certain cases, Dimensional UK may not compete currency exchange transactions for a variety of reasons, including, but not limited to: counterparty or operational risk reduction considerations; an opportunity to receive a potentially better rate by netting against other trades with a single currency dealer; lack of certain risk control measures between the client and a currency dealer; lack of trading agreements with additional counterparties; or because of restrictions imposed by local rules or practices. Dimensional UK's list of restricted markets may change over time and may differ depending on the type of transaction. Dimensional UK may consult with third parties, including brokers or dealers and custodians, and rely upon the information provided by such third parties in making a good faith determination on whether a market is considered restricted. Dimensional UK may therefore be required or determine to trade such currencies through either the client's custodian or, in certain cases, a single currency dealer. In such cases, Dimensional UK's ability to reduce trading costs is limited. If a client has designated its custodians or currency dealers to execute currency exchange transactions on behalf of the client's account, the client is responsible for ensuring that its arrangements will provide the client with acceptable rates and Dimensional UK assumes no responsibility for the oversight of currency exchange transactions in such situations.

Dimensional UK determines all currency exchange transaction policies on behalf of any commingled account it manages, except with respect to sub-advised commingled accounts. For sub-advised commingled accounts, the account's primary adviser or board may require Dimensional UK to use its designated custodians or currency dealers. However, no individual investor in the commingled account will be permitted to determine currency exchange transaction policies for a commingled account.

A currency can be considered restricted based on a variety of factors, including regulatory or governmental restrictions. Dimensional UK may receive information from third parties, such as broker-dealers or custodians, to determine whether a currency should be considered restricted. Dimensional UK seeks to collect data about trades in both restricted and unrestricted currencies to evaluate the execution prices obtained. However, for restricted currencies where custodians or other third parties execute currency exchange transactions and Dimensional UK is not directly



involved with the execution process, Dimensional UK is not able to perform such analysis with precision and is limited by the available information. In such cases, Dimensional UK's ability to reduce trading costs may be limited.

#### Aggregation and Allocation of Trade Orders

It is Dimensional UK's policy to treat all accounts fairly and equitably over time and not to favor or disfavor any clients or class of clients. The general principles on which Dimensional UK's trade allocation procedures are based are: (a) fairness to advisory clients, both in priority of order execution and in the allocation of aggregated orders or trades; (b) timeliness and efficiency in the execution of orders; and (c) accuracy of the investment adviser's records both as to trade orders and maintenance of client account positions. However, allocations of orders may differ across accounts or clients within a given day, according to the relevant factors affecting each account (or client). An authorized trader may determine whether to aggregate, delay, alternate or rotate orders, or to effect execution of orders according to certain criteria, provided that such execution supports the fair and equitable treatment of clients over time.

No order may be aggregated unless an authorized trader has determined that such aggregation is in the best interest of the participating accounts or clients and is consistent with the duty to seek best execution. Dimensional UK may aggregate brokerage orders for clients to obtain lower average commission costs. When Dimensional UK gives the brokers instructions to execute orders representing multiple portfolios, orders that are fully executed will be allocated according to the current trade order instructions. Aggregated orders that remain only partially filled at the end of the trading day shall generally be allocated pro rata based on the size of the current order, subject to some minimum ticket or minimum trade sizes and adjustments for partially filled orders as described below. In addition, when executing sell orders, Dimensional UK will seek to avoid leaving small positions in a client account. Therefore, Dimensional UK may allocate a greater than pro rata share of a sell order for a security to an account if Dimensional UK intends to sell the account's entire position in such security.

Dimensional UK's general policy of allocating partially filled orders is pro rata, based on the size of the current order, but adjusted for, among other things, (a) available cash, (b) round lots, minimum trade size or certain minimum basis points holding as determined by an authorized trader, (c) the size of the account, (d) the necessity to obtain a certain level of holdings according to the specific benchmark of the client, or (e) compliance with the laws of a non-U.S. jurisdiction, including MiFID II.

#### Cross-Transactions

Dimensional UK may conclude that it is appropriate to cause one of its advisory clients to sell a security and another of its advisory clients to purchase the same security at or about the same time. Consistent with its fiduciary obligations to each client and the requirements of best price and execution, Dimensional UK may, under such circumstances, arrange to have the purchase and sale transactions effected directly between its clients ("cross transactions"). A cross



transaction would be effected on the basis of the current market price of the security or at a price reasonably determined to reflect the fair value of the security, which may be based on independent dealer quotes or information obtained from recognized pricing services. Cross transactions may also be executed through third-party brokers.

Where Dimensional UK enters into a cross transaction for a client, Dimensional UK is under no obligations to notify the relevant client that a particular trade is a cross transaction.

Dimensional UK will not receive compensation (other than its advisory fee), directly or indirectly, for effecting a cross transaction between advisory clients, and accordingly will not be deemed to have acted as a “broker” with respect to the transaction. Since, in such transactions, Dimensional UK will represent both client-seller and client-buyer, it has a conflict of interest given Dimensional UK’s obligation to seek to obtain the best price and most favorable execution for its clients. Clients, therefore, should consider the possible costs or disadvantages of cross transactions versus the potential benefit of obtaining reduced transaction or execution costs that may be obtained from such cross trades. When one of Dimensional UK’s advisory clients which is a party to a cross transaction is an investment company, the transaction will be effected pursuant to procedures adopted in compliance with the 1940 Act. Generally, cross transactions may not be effected with any client account that is subject to ERISA unless the provisions of a specific ERISA statutory exemption allowing cross trading have been complied with. Dimensional UK typically does not engage in cross transactions on behalf of U.S. institutional investor clients or U.S. third-party funds that are sub-advised by Dimensional UK.

### **Item 13 – Review of Accounts**

Dimensional UK reviews client accounts on a periodic basis. Reviewers include members of the portfolio management team, authorized persons, the Investment Committee, and/or the compliance department.

Reviews of an account occur at differing frequencies and for differing purposes depending on the type of account. For example, separate account investment guidelines are reviewed, at least annually and upon client request, by the Investment Committee to monitor consistency with the client’s investment objectives and limitations. Portfolio reviews are carried out regularly by portfolio managers to monitor that parameters and characteristics are within acceptable limits. Cash balances for all accounts are reviewed on a daily basis by authorized persons in portfolio management so that sufficient funds are available in local or base currency, and that overall balances meet internal guidelines.

As an additional tool in portfolio compliance monitoring, Dimensional UK maintains a portfolio compliance monitoring system that is used in conjunction with its proprietary investment management system. This portfolio compliance monitoring system assesses the underlying positions for accounts after the day’s trading system processing is completed and provides independent post-facto daily review of positions against various rules-based compliance tests,



covering client-specific guidelines and restrictions, as well as product and regulatory requirements.

All of Dimensional US's separate account clients receive monthly and/or quarterly reports unless their custodians cannot produce the requisite data with that frequency, in which case Dimensional US produces reports with the same frequency as the custodians produce the required asset and transaction data. These periodic reports typically contain the total return for each account held by a client which is calculated on the basis of net asset value plus dividend and interest income, and in cases where required by the clients, compared to an appropriate benchmark index.

In addition, investors in the U.S. Dimensional Funds and separate account clients may receive additional reports pursuant to the negotiated terms of investment management agreements or as mutually agreed upon. These additional reports include, but are not limited to: portfolio characteristics, assets listings, discussions of the investment entity's general strategy, and reports containing results of proxy voting.

## **Item 14 – Client Referrals and Other Compensation**

### *Training and Education Related Services*

From time to time, Dimensional UK or its Affiliated Investment Advisors provide certain non-advisory services to financial intermediaries ("Intermediaries") with business relationships with clients or with investors in Dimensional funds. Intermediaries include, without limitation, independent financial advisors ("FAs"), broker-dealers, institutional investment consultants, and plan service providers (such as recordkeepers). These Intermediaries may be involved in the distribution of funds advised by Dimensional UK and may recommend Dimensional UK's or its Affiliated Investment Advisors' strategies or the purchase of funds managed by Dimensional UK or its Affiliated Investment Advisors ("Dimensional Funds") for their clients. Services provided to Intermediaries, where permitted, may include: (i) providing personnel and outside consultants to Intermediaries for purposes of continuing education, internal strategic planning and, for FAs, practice management; (ii) data collection and analysis, including historical market analysis and risk/return analysis; (iii) continuing education to investment advisers (some of whom may be dual registered investment advisers/broker-dealers); and (iv) other services. Dimensional UK can provide non-monetary benefits, or make payments, to Intermediaries when doing so is consistent with Dimensional UK's duties to its clients and designed to enhance the quality of the relevant service to the client and in accordance with Dimensional UK's Inducements Policy.

Dimensional UK or its Affiliated Investment Advisors regularly provide educational speakers and facilities for conferences or events for Intermediaries, customers or clients of the Intermediaries, or such customers' or clients' service providers, and may also sponsor such events. For its sponsored events, Dimensional UK or an Affiliated Investment Advisor typically pays any associated food, beverage, and facilities related expenses. Dimensional UK or its Affiliated Investment Advisors sometimes pay a fee to attend, speak at or assist in sponsoring





conferences or events organized by others, and on occasion, pay travel accommodations of certain participants attending such conferences or events. Dimensional UK or an Affiliated Investment Advisor's sponsorship of conferences or events organized by others from time to time includes direct payments to vendors on behalf of, and/or reimbursement of expenses incurred by, the organizers of such events. Also, from time to time Dimensional UK makes direct payments to vendors on behalf of, and/or reimburses expenses incurred by, Intermediaries in connection with the Intermediaries hosting educational training, customer appreciation or other events for such Intermediaries and/or their customers. Dimensional UK personnel may or may not be present at any of the conferences or events hosted by third parties described above. Dimensional UK generally will promote its participation in or sponsorship of such conferences or events in marketing or advertising materials. At the request of a client or potential client, Dimensional UK may also refer such client to one or more Intermediaries.

The provision of these services, arrangements and payments by Dimensional UK or its Affiliated Investment Advisors is not dependent on the amount of Dimensional Funds or strategies sold or recommended by such Intermediaries, customers or clients of Intermediaries, or such customers' or clients' service providers.

#### *Payments to Intermediaries*

Additionally, Dimensional UK or its Affiliated Investment Advisors may enter into arrangements with, and/or make payments from their own assets to, certain Intermediaries to enable access to Dimensional Funds on platforms made available by such Intermediaries or to assist such Intermediaries to upgrade existing technology systems or implement new technology systems or programs in order to improve the methods through which the Intermediary provides services to Dimensional UK and its Affiliated Investment Advisors, and/or their clients. Such arrangements or payments may establish contractual obligations on the part of such Intermediary to provide Dimensional UK's or an Affiliated Investment Advisor's fund clients with certain exclusive or preferred access to the use of the subject technology or programs or preferable placement on platforms operated by such Intermediary.

#### *Conflicts of Interest*

The services, arrangements and payments described above under "Training and Education Related Services" and "Payments to Intermediaries" present conflicts of interest because they may provide incentives for Intermediaries, customers or clients of Intermediaries, or such customers' or clients' service providers to recommend, or otherwise make available, Dimensional UK's or its Affiliated Investment Advisors' strategies or Dimensional Funds to their clients in order to receive or continue to benefit from these arrangements from Dimensional UK or its Affiliated Investment Advisors. In addition, the services, arrangements and payments described above may be provided by Dimensional UK only to the extent permitted by law and its Inducements Policy.

#### *Consultation Referral Fees*

From time to time, consultants of Dimensional US are paid a commission for client referrals.



Such commissions typically are calculated based on a flat fee, percentage of total fees received by Dimensional US as a result of such referrals, or other means agreed to between Dimensional US and the consultant.

With respect to Dimensional UK's management of UCITS funds, Dimensional UK or any of its sub-advisers, at its discretion and where permitted by applicable law, can rebate part or all of the management fees charged to the UCITS funds to any UCITS funds' shareholder or use part of such management fees to remunerate certain financial intermediaries of such UCITS funds for services provided to fund shareholders.

Additionally, certain international service providers retained by Dimensional Australia are paid a fee based on a percentage of investment advisory fees received by Dimensional Australia. This fee is payment for services provided to Dimensional Australia to assist Dimensional Australia in servicing certain international clients in accordance with the requirements of applicable international laws.

#### **Item 15 – Custody**

Each separate account client should receive at least quarterly statements from the broker-dealer, bank, or other qualified custodian that holds and maintains the client's investment assets. Dimensional UK may also send a client a separate account statement or invoice if Dimensional UK manages a separate account for the client. If this is the case, then Dimensional UK urges the client to carefully review such statements and compare such official custodial records to any account statements that we provide. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

The cash and securities of Dimensional UK's clients are held by third-party custodians. However, as a registered adviser which acts as an "authorised corporate director" to a non-U.S. fund organized as an open ended investment company and to which not all of the provisions of the Advisers Act and the rules thereunder apply, Dimensional UK may be deemed to have "custody" of these assets pursuant to the SEC's definition of "custody." The non-U.S. fund is audited by independent public accountants, and the audited financial statements are distributed to investors as required per local law.

Except as otherwise required by law, Dimensional UK will not be liable for any act or failure to act of the client's custodian.

#### **Item 16 – Investment Discretion**

Dimensional UK usually receives discretionary authority from the client pursuant to a sub-advisory agreement at the outset of a sub-advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. Except





as otherwise required by law, Dimensional UK will not be liable for any action or instruction of the client or the client's custodian.

When selecting securities and determining amounts, Dimensional UK observes the investment policies, limitations and restrictions of the clients for which it advises. For SEC-registered investment companies, Dimensional UK's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Dimensional UK in writing.

### **Item 17 – Voting Client Securities**

Dimensional UK, Dimensional US, Dimensional Japan, Dimensional Singapore, Dimensional Australia, and Dimensional Ireland (each, an "Advisor," and collectively, the "Advisors") have jointly adopted proxy voting policies and procedures (the "Voting Procedures") for voting proxies on behalf of clients to the extent that: (i) relationships with such clients are subject to the Advisers Act or ERISA; or (ii) the clients are registered investment companies under the 1940 Act. The following is a summary of the Voting Procedures:

The Investment Committee at Dimensional US is generally responsible for overseeing each Advisor's proxy voting process. The Investment Committee has formed the Investment Stewardship Committee (previously known as the Corporate Governance Committee), which is composed of certain officers, directors, and other personnel of the Advisors and has delegated to its members authority to (i) oversee the voting of proxies and third-party proxy service providers (discussed further below), (ii) make determinations as to how to instruct the vote on certain specific proxies, (iii) verify ongoing compliance with the Voting Procedures, (iv) receive reports on the review of the business practices of the third-party proxy service providers, and (v) review the Voting Procedures from time to time and recommend changes to the Investment Committee. The Investment Stewardship Committee may designate one or more of its members to oversee specific, ongoing compliance with respect to the Voting Procedures and may designate personnel of each Advisor to instruct the vote on proxies on behalf of an Advisor's clients, such as authorized traders of the Advisors.

Generally, Dimensional UK, along with the other Advisors, will seek to instruct the vote for proxies, or refrain from voting proxies, in accordance with the Voting Procedures. A client may direct an Advisor to vote for such client's account differently than what would occur in applying the Voting Procedures. An Advisor may also agree to follow a client's individualized proxy voting guidelines or otherwise agree with a client on particular voting considerations.

The guidelines set forth in the Voting Procedures provide a framework for analysis and decision making. However, those guidelines do not address all potential issues. Dimensional UK may vote counter to the guidelines if, after a review of the matter, Dimensional UK believes that the best interests of the client would be served by such a vote. A client's investment strategy can



impact voting determinations. For example, the Advisors consider social issues when voting proxies for socially screened portfolios and accounts and consider environmental issues when voting proxies for sustainability screened portfolios and accounts. The Advisors may also take social or environmental issues into account when voting proxies for portfolios and accounts that do not have social or sustainability screens if the Advisors believe that doing so is in the best interest of the relevant client(s) and otherwise consistent with the Advisors' duties, such as where material environmental or social risks may have economic ramifications for shareholders.

Dimensional UK from time to time discusses governance matters with portfolio companies to represent client interests; however, Dimensional UK on behalf of its clients, regardless of such conversations, acquires securities solely for the purpose of investment and not with the purpose or intended effect of changing or influencing the control of any portfolio company. Dimensional UK does not intend to engage in shareholder activism with respect to a pending vote or matter that Dimensional UK reasonably expects to be the subject of a shareholder vote in the foreseeable future.

In certain cases, Dimensional UK determines that voting is not in the best interests of a client and refrains from voting, such as if the costs, including the opportunity costs, of voting to the client would, in Dimensional UK's view, exceed the expected benefits of voting to the client. For securities on loan and when Dimensional UK, or an affiliate of Dimensional UK, has agreed to monitor the securities lending program of the client account, Dimensional UK will balance the revenue-producing value of loans against the difficult-to-assess value of casting votes. It is Dimensional UK's belief that the expected value of casting a vote generally will be less than the securities lending income, either because the votes will not have significant economic consequences or because the outcome of the vote would not be affected by Dimensional UK recalling loaned securities for voting. Dimensional UK does intend to recall securities on loan if, based upon information in Dimensional UK's possession, Dimensional UK determines that voting the securities is likely to materially affect the value of a client's investment and it is in the client's best interests to do so.

For proxies of non-U.S. companies, it can be both difficult and costly to vote proxies. Dimensional UK does not intend to vote proxies of non-U.S. companies if it determines the expected costs of voting outweigh any anticipated economic benefit to the client of voting. In the event Dimensional UK is made aware of and believes an issue to be voted is likely to materially affect the economic value of a portfolio, that its client's vote is reasonably likely to influence the ultimate outcome of the contest, and the expected benefits to the client of voting the proxies exceed the expected costs, Dimensional UK will seek to make reasonable efforts to vote such proxies.

Proxies that Dimensional UK receives on behalf of its clients will generally be voted in accordance with predetermined guidelines, and when proxies are voted consistently with such predetermined guidelines, Dimensional UK considers such votes not to be affected by any conflicts of interest. In the limited instances where (i) an authorized person is considering voting a proxy contrary to the predetermined guidelines (or in cases where the guidelines do not prescribe a particular vote and the proposed vote is contrary to the recommendation of the proxy



advisory firm primarily used by Dimensional UK to provide voting recommendations) and (ii) the authorized person or any member of the Investment Stewardship Committee believes a potential conflict of interest exists, the authorized person will disclose the potential conflict to a member of the Investment Stewardship Committee or, in the case of a member of the Investment Stewardship Committee who believes a potential conflict of interest exists, the member will disclose the conflict to the Investment Stewardship Committee. If the Investment Stewardship Committee member has actual knowledge of a conflict of interest and recommends a vote contrary to the predetermined guidelines (or in cases where the guidelines do not prescribe a particular vote and the proposed vote is contrary to the recommendation of the proxy advisory firm), the Investment Stewardship Committee member will bring the vote to the Investment Stewardship Committee, which will determine (a) how the vote should be cast, keeping in mind the principle of preserving shareholder value or (b) to abstain from voting, unless abstaining would be materially adverse to the client's interest. To the extent the Investment Stewardship Committee makes a determination regarding how to vote or to abstain from a proxy on behalf of a U.S. Dimensional Fund in the circumstances described in this paragraph, Dimensional UK will report annually on such determinations to the relevant Board of Directors/Trustees of the affected U.S. Dimensional Fund. Dimensional UK will also consider, where appropriate, other disclosure to clients regarding potential conflicts of interest, dependent upon the agreement with the client.

The Advisors and the U.S. Dimensional Funds have retained certain third-party proxy service providers ("Proxy Advisory Firms") to provide certain services with respect to proxy voting. These Proxy Advisory Firms will provide information on shareholder meeting dates and proxy materials; translate proxy materials printed in a foreign language; provide research on proxy proposals; operationally process votes in accordance with predetermined voting guidelines on behalf of clients for whom the Advisors have voting responsibility; and provide reports concerning the proxies voted ("Proxy Voting Services"). Although Dimensional UK retains the Proxy Advisory Firms for Proxy Voting Services, Dimensional UK remains ultimately responsible for its proxy voting decisions. The Advisors have designed policies and procedures to oversee and evaluate the Proxy Advisory Firms. Prior to the selection of a new Proxy Advisory Firm and annually thereafter or more frequently if deemed necessary by Dimensional US, the Investment Stewardship Committee will consider whether the Proxy Advisory Firm: (a) has the capacity and competency to adequately analyze proxy issues and provide the Proxy Voting Services the Proxy Advisory Firm has been engaged to provide and (b) can make its recommendations in an impartial manner, in consideration of the best interests of the Advisors' clients, and consistent with the Advisors' voting policies. In the event that voting guidelines are not implemented precisely as Dimensional UK intends because of the actions or omissions of any Proxy Advisory Firm, custodians or sub-custodians or other agents, or any such persons experience any irregularities (e.g., misvotes or missed votes), then such instances will not necessarily be deemed by Dimensional UK as a breach of the Voting Procedures. In certain instances, Dimensional UK may not be able to exercise voting rights because proxies or other documentation for a vote are not received in a timely fashion.



Clients may obtain a complete copy of the Voting Procedures, including a summary of the guidelines, and records of how their securities were voted by writing to their customer service representative at Dimensional Fund Advisors Ltd., 20 Triton Street, Regent's Place, London NW1 3BF, United Kingdom.

To the extent that a separate account or sub-advised fund client has not authorized Dimensional UK or Dimensional UK has not agreed to vote proxies for securities in the client's account, the client will be responsible for receiving and voting proxies for any and all securities maintained in its portfolio, and Dimensional UK is not responsible for forwarding proxies to the client. Depending on the circumstances and the terms of the client's agreement, Dimensional UK may provide advice about a proxy from time to time.

#### **Item 18 – Financial Information**

A registered investment adviser is required to provide certain financial information or disclosures about the adviser's financial condition. Dimensional UK believes that it has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

#### **Item 19 – Requirements for State-Registered Advisers**

Not applicable.