
2024-2025 Annual UK Stewardship Code Report

for Dimensional Fund Advisors Ltd., a Limited Liability Company

Reporting Period: 1 July 2024–30 June 2025



Introduction from the Co-Chief Executive Officers

We are pleased to present the 2024–2025 Annual UK Stewardship Code Report for Dimensional Fund Advisors Ltd. (“Dimensional UK”). This year’s report contains a summary of our stewardship activities and outcomes over the 12-month period from July 2024 to June 2025.

For over 40 years, Dimensional’s mission has been to translate financial research into effective investment solutions that aim at helping our clients achieve their long-term goals.¹ Dimensional believes its time-tested approach to investing has served its clients well during this 12-month period. Amidst rapidly changing market conditions, Dimensional’s systematic and flexible investment approach enabled its team to adjust in real time to evolving financial and geopolitical news and continue to deliver the investment outcomes our clients expected.

Dimensional has continued to enhance its stewardship capabilities and resources, building on some of the foundations laid out over the previous few years. During the reporting period, Dimensional EMEA launched a new global ESG equity strategy for UK and European investors. Continuing the efforts started over the previous years, we deepened relationships with academics and practitioners. We produced several webcasts to further explore ideas in carbon accounting and climate finance.

Feedback from clients, financial advisers, wealth managers and consultants continues to be an important input to our activities. During the period, we strived to generate productive conversations within our EMEA Sustainability Council, a client forum that we established in 2022 to better understand clients’ sustainability priorities and goals. Climate change remains at the forefront of investors’ minds, and Dimensional continues to expand its global suite of sustainability strategies positioned to reduce exposure to carbon emissions.

1. “Dimensional” or “we” refers to the Dimensional separate but affiliated entities generally, rather than to one particular entity. These entities are Dimensional Fund Advisors LP (“Dimensional US”), Dimensional UK, Dimensional Ireland Limited (“Dimensional Ireland,” and together with Dimensional UK, “Dimensional EMEA”), DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd., Dimensional Japan Ltd. and Dimensional Hong Kong Limited. Dimensional Hong Kong Limited is licensed by the Securities and Futures Commission to conduct Type 1 (dealing in securities) regulated activities only and does not provide asset management services.

Through our stewardship efforts, we strive to enhance and protect shareholder value by focusing on foundational governance principles, including board structure and composition, risk management, shareholder rights and executive compensation. Stewardship continues to be an essential pillar of Dimensional's investment process.

As this report details, our stewardship team held 743 direct engagements and voted on 193,134 proposals at 23,275 meetings globally during the reporting period.² During this period, human rights and climate risk remained an important topic, and our stewardship team engaged with portfolio companies about a wide range of topics related to climate change.

Overall, our efforts over the reporting period build upon what we achieved over previous years. Our stewardship efforts illustrate our commitment to being effective and responsible stewards of our clients' investments. Further, we believe that the enhancements we have made to our internal responsible investment resources and governance structures, including enhanced mechanisms for client feedback, position Dimensional to continue to evolve and improve our efforts for the benefit of our clients.



John Romiza
Co-Chief Executive Officer



Nathan Lacaze
Co-Chief Executive Officer

2. Dimensional discusses governance matters with portfolio companies to represent client interests; however, Dimensional, 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. Engagement can take the form of meetings and calls with board directors and company executives or written letters.

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The UK Stewardship Code 2020

On 1 January 2020, the UK Stewardship Code 2020 (the "Code") took effect. The Code substantially updates the UK Stewardship Code 2012. The Financial Reporting Council ("FRC") stated that the Code established a clear benchmark for stewardship as the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries, leading to sustainable benefits for the economy, the environment and society, and sets out new expectations about how investment and stewardship are integrated, including environmental, social and governance ("ESG") issues.

For asset managers, including Dimensional UK, the Code consists of 12 principles, which are supported by reporting expectations, with a strong focus on the activities and outcomes of stewardship. The Code does not direct signatories on how to meet their fiduciary duties or how they invest their assets. In applying the Code, Dimensional UK seeks to comply first and foremost with its fiduciary duties and all applicable legal and regulatory requirements.

In order to become a signatory to the Code, organisations are required to produce an annual stewardship report explaining how they have applied the Code in the previous 12 months. The FRC then evaluates these reports against its assessment framework, and those that meet the reporting expectations will be listed as signatories to the Code.

The purpose of this report is to outline how Dimensional UK has applied the Code during the specified reporting period.

PRINCIPLE ONE
**Purpose,
Strategy
and Culture**

Signatories' purpose, investment beliefs, strategy and culture enable stewardship that creates long-term value for clients and beneficiaries, leading to sustainable benefits for the economy, the environment and society.

Purpose and Governance

Dimensional UK is an investment management firm authorised and regulated by the UK Financial Conduct Authority ("FCA").

Dimensional UK provides investment management services to Undertakings for Collective Investments in Transferable Securities ("UCITS") domiciled in Ireland ("Irish UCITS") and UCITS domiciled in the UK, as well as manages customised separate mandates for institutional investors.

Dimensional UK is a subsidiary of Dimensional US, a global asset manager based in the US. Dimensional US has been privately held throughout its history, with the majority of its equity controlled by its founders, employees and directors. From its global headquarters in Austin, and with offices and entities located in Santa Monica, Charlotte, London, Singapore, Sydney, Tokyo, Hong Kong and Dublin, Dimensional US and its affiliates' professional staff are active in investment markets 24 hours a day. Dimensional also has regional sales and services offices in Amsterdam, Berlin, Melbourne, Munich, Toronto and Vancouver.

Dimensional works primarily with institutional asset owners, financial advisers and other professional financial intermediaries that use our funds for their clients. We intentionally focus our efforts primarily on these groups because this allows us to spend a significant amount of effort on education about our investment philosophy and approach before clients invest. We believe this approach results in trust and long-term relationships, which we believe are critical to our clients' investment experience.

Culture

Dimensional operates under the following guiding principles:

- Act in the best interest of our clients
- Act in a way that is ethical and legal
- Compete aggressively to succeed
- Base investment strategies on a scientific methodology
- Emphasise financial sustainability
- Create opportunities for our people to contribute both to the firm's and their own success

The foregoing principles guide our business strategy and culture. For example, Dimensional uses financial science to implement systematic, value-added investment solutions. The systematic nature of our investment approach means all portfolios are managed using a team-based approach. Our culture therefore emphasises collaboration and teamwork.

Another part of our culture that is informed by our guiding principles is our commitment to developing our people so they can contribute both to our success and to their own. Dimensional continues to invest heavily in training and development. To facilitate this, Dimensional has established "Dimensional University," an online and in-person global interactive and immersive learning environment designed to enable employees to develop their skills and learn about the firm and its culture.

Dimensional UK's staff receives regular training on the firm's culture and conduct expectations. In addition, Dimensional UK's leadership sets the tone of the firm's culture and reinforces it through multiple channels. These include:

- **Policies:** Dimensional's Global Code of Ethics and Standard of Conduct sets out Dimensional's expectations that employees maintain high ethical standards when conducting business and adhere to the spirit as well as the letter of the law.
- **Quarterly company updates:** These informal sessions with leaders across Dimensional aim to help employees learn more about the firm's business, culture and initiatives.
- **Communication:** Regular email communications share examples of Dimensional in the news, as well as articles of interest, with all employees.

Diversity and Inclusion

Dimensional is committed to creating and fostering an environment which attracts, develops and retains the most talented, qualified employees from both inside and outside the financial services industry.

Dimensional actively participates in both recruiting and professional development initiatives to reach underrepresented talent. In addition to targeted outreach, Dimensional also aims to provide an inclusive experience for those candidates who seek out the firm themselves. We aim to use gender-neutral language and focus on specific qualifications in job descriptions to help ensure applicants from all backgrounds are not dissuaded from applying. Training for interviewers and hiring managers also includes antibias training and interview best practices for consistent evaluation across all candidates.

In early 2021, Dimensional launched an inaugural set of employee-driven Inclusion Networks to help evaluate an inclusion strategy which many employees have joined.

Inclusion Networks focus on three primary goals: supporting professional development, fostering community and building professional networks, and supporting related diversity initiatives. During the reporting period, Dimensional employees continued to pursue these goals in the five Inclusion Networks. These Inclusion Networks work to foster the growth, professional development and success of employees and allies, thereby increasing their contribution to Dimensional.

Dimensional continues to seek to assess the effectiveness of our activities through the Diversity and Inclusion Leadership Council. This council was created under the sponsorship of Dimensional's global Co-CEOs and comprises senior-level executives across Dimensional. The Council is charged with assessing the firm's needs, examining best practices and prioritising activities aimed at creating an inclusive work environment.

Dimensional has introduced feedback surveys at various points in the employee life cycle to measure specific aspects of inclusion and belonging. The firm also gathers employee feedback through other methods, including anonymous ad hoc surveys and listening tours, intended to provide guidance on areas for improvement. We launched an "Anytime Feedback" opportunity for employees across the firm to provide insights and suggestions at any time throughout the year. This feedback is reviewed in real time and actioned accordingly.

Operating Sustainably

Dimensional has a long commitment to operating sustainably. Our approach to operational sustainability focuses on climate change by accounting, reducing and offsetting our operational emissions.

Dimensional considers emissions reduction strategies across our global offices. In those locations where we do not own and manage the office property, Dimensional seeks to work with landlords to plan and help execute certain emissions reduction activities. Dimensional UK is contributing towards the landlord's effort to improve the efficiency of the building by upgrading heating, ventilation and air-conditioning equipment and lighting.

Dimensional continues to further our operational sustainability commitment through capital improvements and administrative strategies. Capital measures which may reduce consumption and conserve water may include upgrading heating, ventilation and air-conditioning equipment and irrigation controls, LED conversions, and relocating our data centre, which may reduce its energy consumption. In some locations, we added electric vehicle charging stations and continue to run a global employee hybrid-workweek program, which may help reduce emissions from commuting. Operational efficiencies, such as adjusting heating, ventilation, air-conditioning schedules and set points, reducing lighting schedules, and lowering window shades, have been implemented in various offices while we seek to ensure comfortable, productive workspaces for all employees. In some locations, we also enhanced our composting, recycling, and e-waste programme to increase the diversion of waste from landfills. As at 31 March 2025, 11 of our offices are certified green buildings.

In 2025, we also elected to offset our 2024 operational Scope 1 and 2 greenhouse gas emissions. To this end, we partnered with an independent carbon offset consultant to conduct extensive due diligence on more than 100 offset projects from multiple providers.

Based on the findings, Dimensional then selected three projects to pursue based on our assessment of the integrity and rigour of their emissions avoidance claims, diversifying by carbon offset type and geography.

Our Investment Philosophy and Approach

Dimensional creates research-driven investment solutions that meet the needs of our clients. To accomplish this, Dimensional puts financial science to work for investors by translating academic and empirical research into real-world investment solutions.

We do not seek to outguess the market with timing strategies or speculative positions. Rather, we use a systematic approach to pursue premiums identified through rigorous academic research, implemented through broadly diversified portfolios.

In particular, our core investment principles comprise the following beliefs:

- Markets quickly incorporate material information into prices. This means that market prices reflect the aggregate expectations of market participants, including information about a company's strategy, resources, expected financial and non-financial performance, capital structure, risks, governance practices and social and environmental impact.
- Expected returns are driven by prices investors pay and cash flows they expect to receive. Systematic premiums are available by targeting companies whose market prices imply higher expected returns.
- Broad diversification aims to reduce portfolio volatility and improve the probability of capturing the premiums, and allows for a flexible approach to portfolio management and trading that can lead to more efficient implementation.

As a result, our equity portfolios generally have a greater focus on companies with smaller market capitalisations, lower relative prices and higher profitability. Our fixed income portfolios use information in forward rates to identify bonds with the highest expected returns within the guidelines of a given strategy. Across both equity and fixed income, we seek to be broadly diversified and to add value for our clients through careful portfolio implementation, including portfolio design, portfolio management and trading.

We take ESG considerations into account with the same philosophy and scientific rigour that guide our investment process. To do this, we conduct in-house research and work with external academics and experts to understand the academic research and available data on ESG issues. We believe that ESG-related information may be material to the performance of portfolio companies. However, we believe publicly available ESG information is quickly incorporated into market prices, and therefore, investors cannot generally gain an advantage over the market by considering such information.

Dimensional believes that market prices reflect information about current corporate governance practices and that material improvements in corporate governance may be rewarded with higher market prices if such improvements enhance expected future cash flows or reduce perceived risks. Stewardship activities that promote better governance practices may therefore improve realised returns to shareholders.

Dimensional broadly considers portfolio-company level governance in its investment management process through proxy voting, as well as by engaging with portfolio companies to share Dimensional's areas of focus with regard to governance practices. Stewardship is an essential pillar of Dimensional's investment process.

Dimensional's stewardship efforts are designed to support and promote practices that are intended to help enhance shareholder value. Our stewardship priorities include protecting shareholder rights and encouraging strong and independent boards that represent shareholders' interests, oversee material risks (such as material environmental and social risks facing a company), and implement policies and procedures to manage conflicts of interest.

For clients who seek to align their portfolios with their values, Dimensional EMEA offers a range of dedicated ESG funds. These portfolios have a clear focus on sustainability issues, leverage high-quality ESG data and provide transparent sustainability reporting. At the same time, they remain true to our core investment principles by systematically targeting higher returns and retaining broad diversification.

Examples of our activities and related outcomes during the reporting period include:

RESEARCH AND DATA

- As discussed in Principle 7, Dimensional's Portfolio Management team implemented the use of a new external data source for applying factory farming and palm oil screens within equity ESG funds.
- Over the period covered by this report, Dimensional's Research team has reviewed and discussed a number of research papers by academic and practitioners related to ESG and responsible investing.

INVESTMENT STEWARDSHIP

- We added further climate-related considerations in director votes within our sustainability voting guidelines.
- We held quarterly Investment Stewardship Committee meetings that included senior executive officers and directors of Dimensional and senior members of the investment team, where we discussed our policies on investment stewardship. We provided quarterly updates on these meetings to our global and local Investment Committee.
- We integrated additional data to improve the accuracy of our voting reconciliation processes.

ESG INVESTING

- Dimensional UK continued to convene the EMEA Sustainability Council, composed of financial advisers and consultants, to discuss sustainability issues relevant to the Dimensional Ireland ESG funds distributed in the UK.
- During the reporting period, Dimensional EMEA enhanced its Lower Carbon ESG Screened UCITS fund range by implementing additional climate-related and tobacco screens and sovereign screens to its ESG fixed income strategies.
- During the reporting period, Dimensional EMEA continued to expand its range of ESG products available to UK clients by launching the Global High Profitability Lower Carbon ESG Screened strategy.

Dimensional UK believes the foregoing approach has served our clients well. We regularly evaluate our ability to deliver the investment outcomes expected by clients by reviewing the characteristics of our portfolios, the expected and actual performance of our portfolios given market conditions, our continued ability to implement strategies in a cost-effective manner, the impact of our stewardship activities and the availability of investment strategies to meet specific client-driven ESG preferences.

PRINCIPLE TWO
**Governance,
Resources
and Incentives**

Signatories' governance, resources and incentives support stewardship.

We have put in place governance structures, resources and incentive plans that we believe promote effective stewardship. We continually look for opportunities to enhance the effectiveness of our governance structures and processes in supporting our stewardship efforts.

Dimensional has put in place a firmwide performance management plan that seeks to support effective stewardship. As outlined in Principle 1, Dimensional has a collaborative team-based culture and follows a systematic, process-driven investment approach. Portfolio Managers are therefore compensated based on their experience, ability to work collaboratively to implement portfolios, the quality of their work efforts and their overall contribution to the firm, rather than the performance of the portfolios that they manage. This incentivises the behaviours we believe help create long-term value for clients and aligns well with our guiding principles and culture. Delivery on ESG objectives (such as contributing to the development of the firm's ESG approach, contributing to stewardship activities and oversight of ESG data incorporated into investment activities) is incorporated into goal setting and performance reviews for employees tasked with these ESG-related projects.

Responsible Investment

Dimensional's approach to responsible investment is focused on building science-based solutions that allow clients to align their investment and sustainability goals. Dimensional's responsible investment efforts include combining the knowledge of dedicated personnel along with ESG specialists and contributors integrated within their respective functional teams. As at 31 December 2024, more than 60 investment professionals contribute to ESG initiatives across our global offices. For example, members of the Portfolio Management team provide daily oversight of our sustainability-focused portfolios as well as contribute to stewardship activities and ESG data oversight. Members of our Research team conduct research projects on ESG-related issues and review external ESG research. Members of our Investment Analytics and Data team provide oversight of third-party ESG data and use their data and technical skills to build tools that integrate portfolio management and ESG data. During the reporting year, these efforts were coordinated by Jim Whittington, then the Head of Responsible Investment, and Lacey Huebel, then the Head of Responsible Investment, North America. Between the end of the reporting period and publication of this report, Stephanie Hui was appointed Head of Responsible Investment, Senior Public Policy Strategist and Vice President. Jim Whittington has returned to full-time portfolio management responsibilities as a Senior Portfolio Manager and Vice President based in London, and Lacey Huebel will continue to serve as a Senior Portfolio Manager and Vice President based out of Austin, where she will continue to manage Dimensional US's social and sustainability fixed income funds.

Coordinating ESG efforts is Dimensional's ESG Steering Committee, a collaborative group comprising key contributors to ESG-related initiatives across departments and regions, including representatives from Portfolio Management, Research, Investment Solutions, Legal and Corporate Services. The ESG Steering Committee's role is to strategically coordinate and communicate Dimensional's efforts across business functions in an effort to deliver a science-driven approach to ESG informed by our clients' needs. The ESG Steering Committee is supported by cross-functional ESG working groups within each of the major regions where Dimensional operates. These working groups are responsible for keeping up-to-date on industry and regulatory developments within their local regions, coordinating sustainability events and conferences and supporting regional ESG training activities.

To date, we believe the ESG Steering Committee has been an effective mechanism for coordinating and communicating Dimensional's ESG efforts across global business functions. We believe a matrix structure rather than a standalone ESG team better enables us to improve cross-team collaboration and leverage specialist functional knowledge in the pursuit of ESG goals and the integration of ESG across all our investment teams.

Dimensional has also established a network of researchers, academics and other notable contributors in ESG-related fields. Building on Dimensional's long history of working closely with leading academics and researchers, this group consults with Dimensional US on matters related to ESG research, data and environmental science. In addition to helping inform Dimensional's approach to ESG integration and research, this group participates in educational events for Dimensional's clients and prospects.

Network of Researchers and Academics

DAVID VICTOR

University of California, San Diego

David Victor is professor of innovation and public policy at the School of Global Policy and Strategy at the University of California San Diego and co-director of the campus-wide Deep Decarbonization Initiative. He serves as an adjunct professor of climate, atmospheric science and physical oceanography at the Scripps Institution of Oceanography. He also serves as a senior fellow at the Brookings Institution and as co-chair of the World Economic Forum's Global Future Council on Energy.

MICHAEL GILLENWATER

Greenhouse Gas Management Institute

Michael Gillenwater is co-founder, executive director and dean of the Greenhouse Gas Management Institute. He has been a lead author of four Intergovernmental Panel on Climate Change (IPCC) reports over 20 years. He also served as a core adviser to the World Resources Institute and the World Business Council for Sustainable Development on the revised edition of the Greenhouse Gas Protocol.

CHRISTIAN LEUZ

University of Chicago Booth School of Business

Christian Leuz is the Charles F. Pohl Professor of Accounting and Finance, University of Chicago Booth School of Business. He is a research associate at the National Bureau of Economic Research and a research fellow at both the Center of Economic Policy Research and the European Corporate Governance Institute.

David Victor; Michael Gillenwater, as a representative of Greenhouse Gas Experts Network Inc.; and Christian Leuz provide consulting services to Dimensional US.

Investment Stewardship

Dimensional's stewardship efforts are integrated into our overall investment process and involve members of our dedicated Investment Stewardship Group, as well as members of the Portfolio Management team and other members of our investment team. These efforts are overseen by our Investment Stewardship Committee.

We leverage investment personnel across Dimensional to implement our global stewardship process. These include personnel based in North America, Europe, Australia and Asia. We coordinate and share information across entities in order to speak and act consistently.

Dimensional's Investment Stewardship team structure has been in place for over a decade. Over the past several years, we have continued to expand our team, with a focus on adding people with a range of skills and backgrounds, representing diverse fields such as corporate governance, investments, law and economics. The structure of the team is described below:

- The Investment Committee is responsible for setting Dimensional's Proxy Voting Policy and Guidelines for voting and overseeing each Dimensional entity's proxy voting process. The Investment Committee has formed the Investment Stewardship Committee as described below.
- The Investment Stewardship Committee is responsible for recommending changes to Dimensional's Proxy Voting Policy, considering complex proxy voting cases and overseeing the Investment Stewardship Group.
- The Investment Stewardship Group conducts engagements, instructs proxy votes and makes recommendations to the Investment Stewardship Committee on potential enhancements to the firm's stewardship policies, procedures and operations.
- Members of Dimensional's Portfolio Management team provide feedback on specific votes and may, from time to time, lead or participate in engagements with portfolio companies.

The Investment Stewardship Committee is composed of a variety of senior leaders from Dimensional. Both the Co-CEOs and the Chairman of Dimensional US serve on the Investment Stewardship Committee, alongside members of the board of directors of the general partner of Dimensional US (who are leading academics in the field of financial economics) and senior members of the global Portfolio Management team, including Dimensional's Head of Responsible Investment and Head of Investment Stewardship.

The Investment Stewardship Committee meets at least quarterly to discuss Dimensional's stewardship priorities and review the activities of the Investment Stewardship Group. The Investment Stewardship Committee is also responsible for approving additional resources, such as headcount and data, to support Dimensional's stewardship activities. Finally, the Investment Stewardship Committee is responsible for recommending changes to Dimensional's Proxy Voting Policy, reviewing potential policy updates and considering complex proxy votes, including those involving a potential conflict of interest.

During the reporting period, the Investment Stewardship Committee:

- Recommended revisions to Dimensional's Proxy Voting Policy (see Principle 5 for more detail on the formulation of our policy).
- Reviewed votes involving either an actual or potential conflict of interest (see Principle 3 for details on the management of conflicts of interest).
- Oversaw due diligence on the capacity and competency of our proxy advisers (see Principle 3 for details on the management of conflicts of interest and Principle 8 for more information on the oversight of proxy advisers).
- Reviewed and discussed an annual report on Dimensional's voting activities for the year, including the frequency with which Dimensional voted against management on management and shareholder proposals.

As noted above, senior members of the Portfolio Management team serve on the Investment Stewardship Committee, underscoring our view that stewardship is an important element of our investment processes. We believe it is important to integrate and coordinate stewardship activities within our portfolio management function. For more information, see Principle 7.

As described above, the Investment Stewardship Group is a dedicated group of professionals who receive specialised corporate governance training and are tasked with implementing Dimensional's stewardship priorities. This group, which reports to the Head of Investment Stewardship, resides within the Portfolio Management department. Members are compensated based on the effective performance of their duties, which include oversight, execution and enhancement of Dimensional's stewardship policies, procedures and operations. The Head of Investment Stewardship serves as Chair of the Investment Stewardship Committee. During the reporting period, the Investment Stewardship Group had eight full-time employees.

Several members of the global Portfolio Management team have been designated as stewardship specialists and work closely with the Head of Investment Stewardship on Dimensional's stewardship priorities. Additionally, the Investment Stewardship Group regularly coordinates with the operations and technology functions within Dimensional to seek to improve the efficiency and accuracy of voting and engagement processes.

We believe that during the reporting period our governance structure for stewardship activities has been effective in promoting and enhancing shareholder value. In particular, our continued integration of stewardship within the investment team has provided valuable insights. Please see the CACI case study under Principle 9 for an example of how members of Dimensional's Portfolio Management team have supported our stewardship efforts.

See Principles 7, 9, 11 and 12 for a discussion of the various activities undertaken by Dimensional's Investment Stewardship team.

PRINCIPLE THREE

Conflicts of Interest

Signatories manage conflicts of interest to put the best interests of clients and beneficiaries first.

Dimensional's first two guiding principles are to act in the best interest of clients and to act ethically and legally. Dimensional takes its fiduciary obligations seriously and seeks to implement policies and procedures to manage conflicts of interest. Dimensional has in place a Global Code of Ethics and Standard of Conduct that aims to promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. For example, the Global Code of Ethics and Standard of Conduct sets out Dimensional's approach to personal trading, outside business activities (such as directorships on the boards of public companies, private organisations and nonprofit organisations) and the giving and receipt of gifts and entertainment. The Global Code of Ethics and Standard of Conduct applies globally, including to Dimensional UK.

In addition, Dimensional UK has in place a Conflicts of Interest Policy. This policy sets out information on certain material actual or potential conflicts of interest identified as being inherent to Dimensional UK's business and the organisational and administrative arrangements put in place to prevent or manage such conflicts.

With respect to stewardship matters, conflicts of interest may arise in the course of communicating with a portfolio company or voting on a proxy. For example, there can be a potential conflict of interest if Dimensional is actively soliciting investment advisory business from a client or potential client that is also the portfolio company soliciting a proxy.

To address the instances in which a potential conflict may arise with respect to a proxy vote, Dimensional maintains an explicit policy on managing such potential conflicts that is focused on the principle of preserving shareholder value. The procedures Dimensional follows in the event a potential conflict of interest arises with respect to a vote are set out in Dimensional's Proxy Voting Policies and Procedures (the "Proxy Voting Policy"). These procedures are summarised below.

Engagements are generally handled by the Investment Stewardship Group, and in certain cases Portfolio Managers are involved. When engaging, Dimensional seeks to handle any communications with portfolio companies in accordance with a standard protocol and consistent with applicable legal and regulatory requirements and Dimensional's Proxy Voting Policy regarding conflicts.

Proxies that Dimensional receives on behalf of its clients generally will be voted in accordance with Dimensional's predetermined Proxy Voting Guidelines (or a client's predetermined custom guidelines), and when proxies are voted consistently with such guidelines, Dimensional considers such votes not to be affected by any conflicts of interest.

In the limited instances where the Investment Stewardship Group (i) is considering voting a proxy contrary to predetermined guidelines (or in cases for which 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 to provide voting recommendations) and (ii) the Investment Stewardship Group believes a potential conflict of interest exists, the Investment Stewardship Group 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. The Global Chief Compliance Officer sits on the Investment Stewardship Committee and therefore is also notified. Such disclosure will describe the proposal to be voted upon and disclose any potential conflict of interest, including but not limited to any potential personal conflict of interest (e.g., familial relationship with portfolio company management) relating to the proxy vote, in which case the conflicted individual will voluntarily be removed from the proxy voting process.

If an Investment Stewardship Committee member has actual knowledge of a conflict of interest and recommends a vote contrary to 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 to provide voting recommendations), the Investment Stewardship Committee member will bring the vote to the Investment Stewardship Committee, which will decide (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 interests. Dimensional UK reports to its clients regarding potential conflicts of interest according to the agreement with the client. Pursuant to Dimensional's Proxy Voting Policy, matters where a potential conflict exists but where Dimensional votes in accordance with its predetermined Proxy Voting Guidelines are not considered to be affected by any conflict of interest and are not included in such reports.

During the reporting period, there were certain occasions when voting decisions were escalated to the Investment Stewardship Committee due to an actual or potential conflict of interest being identified.

Below are examples of conflict situations which may arise:

- A portfolio company's affiliated entities are clients of Dimensional and the portfolio company has been accused of environmental regulatory breaches, precipitating a drop in its share price. Dimensional may vote against the reelection of any director who has been identified as responsible for overseeing ESG issues in circumstances where the director fails to address the relevant environmental regulatory breach.
- A portfolio company's affiliated entities are clients of Dimensional and the portfolio company put forward a number of amendments to its articles of association. Dimensional may vote against amendments representing changes to governance that do not meet best practices and may negatively impact shareholder value.
- Dimensional may vote on a proposed merger of a portfolio company with another company that is a prospective client of Dimensional. Dimensional may vote in favour of the proposed merger per its policies if the portfolio company's shares are trading at a discount to the offer price.

On each occasion, Dimensional, according to its policies, would present the facts concerning the proposal to the full Investment Stewardship Committee and obtain prior approval from the Committee to proceed with the proposed vote pursuant to the method outlined for handling conflict issues in Dimensional's Proxy Voting Policy.

PRINCIPLE FOUR
Promoting
Well-Functioning
Markets

Signatories identify and respond to marketwide and systemic risks to promote a well-functioning financial system.

Identifying and Addressing Risks

The identification of systematic and marketwide risks at Dimensional is based on a broad-based monitoring and evaluation effort, led by Dimensional's Risk Management team. Key business functions contribute to the identification of risks, including Portfolio Management, Research, Trading, Investment Operations, Technology, Compliance and Legal, with their efforts overseen by relevant committees, as further detailed below. Dimensional's teams rely on historical risk research, current market observations and participation in global industry groups to seek broad coverage of systematic and marketwide risks.

During the reporting period, personnel from Dimensional's global offices participated in the Investment Company Institute's ("ICI") Chief Risk Officer Forum and the Global Association of Risk Professionals' Buy Side Risk Managers Forum. These forums regularly include presentations and discussions on climate risk and other global systemic risks. Beyond gathering information from other industry participants about observed and ongoing marketwide risk developments, Dimensional may also contribute to the forum and share our insights on the evolving risk environment.

Dimensional uses a structured risk framework to recognise, analyse and take appropriate action on risks that may impact our investment strategies. Dimensional's Enterprise Risk Management Framework, which is based in part on various global risk management standards, is intended to allow Dimensional to manage its risks per its stated risk appetite and in pursuit of its business objectives and opportunities.

The Enterprise Risk Management Framework describes the various methods used throughout the firm to provide a consistent approach to the identification and management of risk. Methods include, without limitation, quantitative analysis, qualitative review, scenario analysis and risk modelling. Risk assessments are completed at the functional, regional and firmwide levels and are updated regularly. We measure risks using Dimensional's Risk Assessment Methodology, assessing the expected likelihood of occurrence, the magnitude of impact, the strength of controls and, in some cases, potential correlations with other risks. Each risk is then assigned an overall risk rating.

Once a risk is identified, assessed and measured, the risk is classified according to three risk groupings: strategic, investment and operational. These risk groupings are further broken down into risk categories and risk areas. Collectively, this process includes over 100 identified potential risk areas. Examples of considered systematic and marketwide risks include climate risks, geopolitical and regional risks, liquidity risks, inflation and interest rate risks and cybersecurity risks.

Risk Management Roles and Responsibilities

Dimensional has adopted a firmwide, integrated risk management approach. At the core of our approach, the board of directors of the general partner of Dimensional US is responsible for overseeing risk policies and assessments. The board has delegated important aspects of risk identification, policy implementation and oversight functions to the Global Risk Review Committee (“Global Risk Committee”). In addition, there is a separate Global Operational Risk Committee, which is a sub-committee of the Global Risk Committee. Dimensional’s Head of Risk Management oversees the risk management approach.

GLOBAL INVESTMENT COMMITTEE

Dimensional’s Investment Committee supervises day-to-day implementation of investment policy and establishes and monitors all client and portfolio parameters for the Portfolio Management teams to implement. This role includes approval of types of eligible issuers, securities, futures contracts, swaps and forward contracts, currencies and counterparties that effect transactions. This committee typically meets twice per month and may meet more frequently during periods of heightened volatility or when the risk management environment is evolving quickly.

GLOBAL INVESTMENT STEWARDSHIP COMMITTEE

As described in Principle 2, Dimensional’s Investment Stewardship Committee is a subcommittee of the Investment Committee. The Investment Stewardship Committee considers, at least annually, proxy-voting-guideline changes to reflect new or evolving areas of risk oversight and management related to portfolio company monitoring.

GLOBAL RISK COMMITTEE

The Global Risk Committee, which includes the Co-CEOs of Dimensional US along with other senior management personnel, has as a key objective the review and evaluation of risks. The Global Risk Committee reviews risk reports, considers risk priorities, helps to evaluate broader risk monitoring and control measures and analyses risks across the global organisation in a consistent manner. The Global Risk Committee plays a critical role in communicating information to the boards of the Dimensional entities to assist in the boards’ decision-making responsibilities.

GLOBAL OPERATIONAL RISK COMMITTEE

The Global Operational Risk Committee has been established to support the Global Risk Committee in the oversight of operational risk at Dimensional. The primary purpose of the Global Operational Risk Committee is to provide a forum for risk identification through the involvement of a separate cross-section of Dimensional professionals who may be able to identify risks relevant to day-to-day operations and serve as risk and control advocates for their departments. Additional areas of risk identified by the Global Operational Risk Committee may then be reported to the Global Risk Committee for consideration. The Head of Investment Compliance chairs the Global Operational Risk Committee. The Head of Risk Management is a member of the committee and reports to the Global Risk Committee on the discussions of risks identified by the Global Operational Risk Committee.

REGIONAL RISK COMMITTEES AND OVERSIGHT

Regional Risk Committees in Australia, Japan, Singapore and the United Kingdom perform similar functions as the Global Risk Committee, with a focus on local issues and regulatory requirements related to risk management. In Ireland and Hong Kong, risk is overseen in accordance with local requirements by the Designated Persons for Risk Management and the Manager in Charge of risk management, respectively. In Canada, risk is overseen by Dimensional's Chief Compliance Officer with support from the Head of Risk Management.

LEGAL AND REGULATORY COMMITTEE

The Legal and Regulatory Committee shares information related to legal and regulatory updates with impacted departments and personnel across Dimensional.

Broadly, these groups, working with firm leadership and teams across Dimensional's business and investment units, assist in managing Dimensional's risk management efforts with respect to investment, operational and regulatory risk. Dimensional continues to investigate ways to improve our risk management framework as the risk environment evolves. One developing area of focus is climate-related regulations.

Climate-related regulations are evolving rapidly, and we actively monitor developments in this area.

Navigating Investment Risks

As described in Principle 1, Dimensional's investment philosophy is based on the belief that public markets are highly effective at processing information about risks and opportunities. With this in mind, we design our investment strategies and processes to take advantage of the real-time information in market prices.

Navigating risk through a robust, market-based approach is foundational to Dimensional's investment approach. One of Dimensional's core investment beliefs is that markets take risks—whether idiosyncratic risks or systemic risks—into account in setting prices for securities. Put another way, risk and return are related. Our strategies are typically broadly diversified across securities, sectors and, where applicable, countries. Typically, our strategies hold hundreds, if not thousands, of securities, as we believe this approach mitigates idiosyncratic risks associated with individual securities. When risks are undiversifiable, such as marketwide or systemic risks, we believe that market participants are compensated for taking on exposure to these risks.

Our strategies generally remain fully invested, even in times of market stress. Research shows that strategies that seek to time markets or hedge against marketwide risks generally underperform over time. If markets stay open and continue to function normally, we generally continue investing our portfolios according to our usual process. We believe the most effective way to mitigate the risk of unexpected crises (such as natural disasters, social unrest, or pandemics) is through broad diversification and a flexible investment process. With that said, we also recognise the importance of monitoring systemic risks, and we seek to identify and monitor those risks where possible. For instance, our Investment Committee regularly reviews risks related to liquidity and counterparty exposure, as well as other market-related risks.

We believe the aforementioned approach has served our clients well. Over the four decades that Dimensional has been managing assets, we have successfully navigated many periods of market stress, including during the reporting period. We believe our systematic, broadly diversified approach has provided a competitive advantage over other approaches.

Responding to Marketwide and Systematic Risk

The examples below serve to illustrate how Dimensional has responded to key systematic and marketwide risks during the reporting period. Additionally, Dimensional participates in industry groups and conducts advocacy efforts to promote improved market structures and effective regulations for the benefit of investors. See Principle 10 for additional examples of how Dimensional has engaged with industry groups and regulators over the reporting period.

CLIMATE RISKS

Climate change has the potential to impose significant costs on current and future generations. However, consistent with our investment philosophy outlined in Principle 1, we believe that company specific risk and broad systematic risks that are material to company valuations are priced by capital markets. As with other material risks, it is therefore important for management and boards to have oversight of material climate change risks to their business and to provide adequate disclosure of such risks to shareholders.

In September 2024, Dimensional sent letters to 29 portfolio companies across the Middle East, Latin America, Africa and the Asia Pacific regions where information regarding each company board's oversight of climate risk and the responsibilities of each board's committees that may be involved was not publicly disclosed, and where Dimensional clients had certain holdings as at 30 June 2024. Dimensional's letter asks portfolio companies to disclose the material risks stemming from climate change to the company. To the extent that climate change is deemed a material risk, the letter requests disclosure of the role of the portfolio company's board in overseeing and mitigating the risks posed by climate change, a description of the process for identifying, prioritising and assessing the materiality of climate risks and how frequently the process is carried out, as well as disclosure of the policies and procedures in place to address the risks posed by climate change.

Dimensional's Investment Stewardship Group is monitoring company responses, reviewing portfolio company disclosures and, if necessary, engaging and considering potential voting actions against the directors if disclosures remain insufficient, in accordance with Dimensional's Proxy Voting Guidelines.

PRINCIPLE FIVE

Review and Assurance

Signatories review their policies, assure their processes and assess the effectiveness of their activities.

Proxy Voting Policy

Dimensional's Proxy Voting Policy is developed by the Investment Stewardship Group and approved by the Investment Stewardship Committee, and reviewed at least annually, taking into account information from academic research, industry participation, client feedback, and portfolio company engagement. The Proxy Voting Policy includes a summary of our Proxy Voting Guidelines with three implementations—one standard implementation, one for the portfolios and accounts that incorporate social considerations in their investment guidelines, and one for the portfolios and accounts that incorporate sustainability considerations in their investment guidelines. For client accounts, Dimensional can take social or sustainability issues into account when voting proxies for portfolios that do not consider social or sustainability issues in their design if directed to do so by the client.

Our Proxy Voting Policy is subject to annual review and approval by appropriate governance teams, which may include the Investment Stewardship Committee and the Investment Committee, as well as the board of Dimensional UK and appropriate commingled funds.

Specific steps involved in reviewing, developing and enhancing our Proxy Voting Guidelines may include:

- reviewing academic research from the disciplines of law, economics and environmental sciences
- conducting internal research and analysis
- soliciting feedback from internal stakeholders, such as Portfolio Managers and Dimensional client representatives
- discussing stewardship issues with our clients to gather their perspectives and share ours
- reviewing positions taken by industry groups, proxy advisors, nonprofits, regulators and investors, both globally and regionally
- participating in industry groups and contributing to the public dialogue

An example of our policy development process during the reporting period was the expansion of situations where we may vote against directors due to lack of climate-related disclosure or oversight when voting on behalf of portfolios following our Sustainability Proxy Voting Guidelines.

When monitoring our proxy voting program, Dimensional's Compliance team has established and maintains a risk-based compliance monitoring program, which includes a periodic review of proxy voting activities, policies and procedures. Reporting from the compliance monitoring program is presented to various boards and committees, including Dimensional UK's Compliance Committee.

Engagement Practices

Dimensional's Investment Stewardship Committee reviews and supervises Dimensional's engagement practices. See Principles 7, 9, 11 and 12 for more details on our engagement approach and escalation mechanisms as well as examples of their implementation during the reporting year.

Stewardship Reporting

In July 2024, we published our Annual Stewardship Report containing information about philosophy, capabilities and implementation of investment stewardship. Many stakeholders, including non-subject-matter experts, are involved in the development of the Annual Stewardship Report. The report is reviewed by Dimensional's global Co-CEO, Legal and Compliance teams and leadership from across investment teams. The most recent report is [available here](#).

In a similar manner, the UK Stewardship Code Report is reviewed by members of the Investment Stewardship team, Legal team, and Dimensional UK's Co-CEOs, and is approved by the board of Dimensional UK.

In 2023 we introduced enhancements to our report on how Dimensional's sustainability and social funds voted on environmental and social proposals during the previous proxy year. After soliciting feedback from clients, we significantly enhanced the scope and depth of our reporting, reflecting a synopsis of stewardship activity through the lens of our investors in our sustainability and social funds. The updated report includes an overview of the funds' broader engagement and proxy voting activity; details on our approach to evaluating environmental and social shareholder proposals and additional illustrative information, such as voting statistics related to the environmental and social shareholder proposal topics we voted for and against; key rationale descriptions for those proposals we did not support; and demonstrative case study examples. As in previous years, we provide a comprehensive list of votes for and against environmental and social shareholder proposals, including portfolio company name and proposal description. We believe these changes will provide clients with greater detail on how our sustainability Proxy Voting Guidelines inform our proxy voting decisions for portfolios following these guidelines, improving the clarity and transparency of our reporting.

PRINCIPLE SIX

Client and Beneficiary Needs

Signatories take account of client and beneficiary needs and communicate the activities and outcomes of their stewardship and investment to them.

Dimensional has a commitment to clients that spans over 40 years. Dimensional has developed a wide array of investment solutions to help address investment challenges for our clients around the globe, all based on a single philosophy and implemented through an integrated, process-driven approach.

Dimensional UK's clients include commingled funds and other institutional investors, such as pension funds and insurers for whom Dimensional UK manages segregated accounts. Dimensional UK may also provide subadvisory services to other advisers. Dimensional UK's commingled funds are recommended to investors by independent financial advisers. Dimensional UK generally does not seek to have direct retail clients.

Dimensional UK's clients are primarily based in the UK. During the reporting period, other regions where Dimensional UK serviced client assets included the European Economic Area, Switzerland and the Middle East.

Total assets managed by Dimensional UK as of 30 June 2025 were GBP 33.8 billion and can be broken down into the following asset classes:

Data as of 30 June 2025 (GBP Millions)

Developed ex US Equities	7,145
Emerging Markets Equities	3,657
Fixed Income	12,388
Global Equities	10,303
US Equities	322
Total	33,816

In general, Dimensional UK's equity strategies are designed to offer consistent exposure to securities with higher expected returns—securities with smaller market capitalisations, lower relative prices and higher profitability. Securities with these characteristics have been shown to outperform the market. As the probability of realising outperformance increases with the investment horizon, we generally hold securities for long periods of time—usually for four or more years. This approach also decreases turnover costs for our clients and positions us to integrate ESG considerations in a manner consistent with helping investors achieve their long-term goals. We therefore emphasise the benefits of a long-term investment horizon with our clients.

Similarly, Dimensional UK's fixed income strategies are designed for cost-effective implementation of broadly diversified portfolios that are consistently managed using information in forward rates. Forward rates stand out in this research as the most reliable and the most useful metric for targeting bonds with higher expected returns. We manage a range of fixed income strategies with varying duration exposure so that investors can select a strategy that aligns with their fixed income asset allocation's investment time horizon needs.

Dimensional UK manages ESG portfolios in various asset classes that are designed for investors interested in reducing the exposure of their investments to greenhouse gas emissions and potential greenhouse gas emissions from fossil fuel reserves. The ESG portfolios managed by Dimensional UK incorporate environmental considerations important to many sustainability-minded investors.

During the reporting period, Dimensional Ireland launched the Global High Profitability Lower Carbon ESG Screened Fund. As at 30 June 2025, seven Dimensional Ireland ESG funds representing more than GBP 6.2 billion of assets were available to Dimensional UK clients.

Understanding Client Needs

Dimensional UK frequently engages with financial advisers, wealth managers, consultants and other stakeholders to understand their needs as well as to further enhance our understanding of ESG in the industry.

Consistent with the previous reporting period, Dimensional conducted a number of activities focused on understanding the sustainability values of clients. In EMEA, Dimensional EMEA conducted a survey of advisers, which included a portion on ESG.

During the reporting period, Dimensional EMEA organised several conversations with our EMEA Sustainability Council, a group composed of consultants and wealth managers not affiliated with Dimensional whose clients have a specific focus on sustainability.

During these conversations, Dimensional EMEA shared some of our ongoing work, listened to feedback and provided education on specific ESG topics from a variety of internal and external experts.

Reporting on Stewardship and Investment Activities

Dimensional seeks to be a trustworthy, transparent and reliable fiduciary for our clients, and to keep them well-informed about the stewardship and investment activities we conduct on their behalf. During the reporting period, Dimensional has continued to regularly communicate with clients, financial advisers and wealth managers on both stewardship and investment activities and outcomes through meetings, conferences and reports. We have also sought out opportunities to improve our reporting.

Example activities include:

- Portfolio Managers conducted many ESG-related meetings with clients and advisers. Topics often included portfolio design, investment performance and reporting on investment stewardship activities.
- Dimensional UK ran a number of ESG-focused events for UK and European clients and advisers. For example, the Dimensional Foundations Conference—a regular educational conference primarily aimed at the financial advisory community—now includes a full session dedicated to helping professional investors navigate ESG investing. During the reporting period, Dimensional EMEA organised two webcasts with Professor Christian Leuz on his recent research into sustainability-related disclosure and corporate carbon damages, respectively.
- For the ESG strategies Dimensional UK manages, we provide public quarterly reporting on both the carbon intensity of each portfolio and the potential emissions from fossil fuel reserves at the portfolio and sector level, relative to their comparative index. The reports include a summary of the funds' sustainability focus, details on the nature of company-level emissions data and additional explanatory information, such as prominent definitions of key terms, illustrations and examples of carbon-related metrics.
- We have published on our public website a database of Dimensional UK's proxy voting records searchable by individual item, portfolio and issuer. We publish a report on how Dimensional's sustainability funds voted on environmental and social proposals during the previous proxy year.
- As detailed under Principle 5, since 2019, Dimensional has published an Annual Stewardship Report. Since 2023, the scope of this reporting has included our voting for environmental and social shareholder proposals.

PRINCIPLE SEVEN

Stewardship, Investment and ESG Integration

Signatories systematically integrate stewardship and investment, including material environmental, social, and governance issues and climate change, to fulfil their responsibilities.

Dimensional UK systematically integrates stewardship and investment to deliver diversified, value-added systematic investment solutions to clients in the UK.

As discussed in Principle 1, we believe that market prices reflect the aggregate expectations of market participants, including information about ESG risks and opportunities. Consistent with this belief, the ESG variables we have analysed in our research do not appear to contain additive information about expected returns. As such, we do not attempt to invest in companies that we think will outperform because of their ESG profiles. However, we do use ESG information when defining and monitoring our investment universe. Examples of these activities are listed below.

Equity Security-Level Reviews

As part of our process for creating an eligible universe, we review country risks, exchange listing standards and individual securities for structural, governance-related issues. For example, we may exclude companies from eligibility if they are closely held; such companies may not have adequate risk controls to protect the interests of minority shareholders against abusive practices by company insiders. We also assess exchange listing requirements against certain standards; for example, accounting standards and the level of shareholder protection offered. We may exclude companies from eligibility if they are listed on exchanges whose listing requirements fail to meet these standards. During the reporting period, we reviewed over 3,500 equity securities as part of this process.

Fixed Income Security-Level Reviews

Prior to investing in any fixed income security, Dimensional analyses information from the security's prospectus, official statement, escrow agreement and certain other relevant documents. The types of information analysed include the security's payment rank, covenants, call provisions and tax-exempt status. Each security goes through an initial automated review process that identifies keywords and characteristics from official documents and screens out securities with embedded options, covenants or other terms that would make the security ineligible for our portfolios. Following this initial automated review, a Portfolio Manager will review information from relevant official documents in order to assess the security's eligibility. As part of this process, we may seek to gain clarification of terms and conditions relevant to eligibility, but we generally do not seek to alter the terms or conditions applicable to fixed income securities. In addition, before Dimensional makes an issuance eligible for investment, a member of our Portfolio Management team will review credit ratings from third-party agencies, for which ESG considerations may be a component. During the reporting period, Dimensional reviewed over 4,500 fixed income issuers for eligibility.

Consistent with our belief that market prices contain all available information, Dimensional considers current market prices in conjunction with published credit ratings when assessing the credit risk of a bond. For example, if a BBB rated security trades at a significantly higher yield than other comparable BBB rated securities, all else equal, we regard that security as carrying a higher risk than that implied by its third-party credit rating and assign it a lower internal rating. If Dimensional's internal rating is inconsistent with the goals and constraints of a strategy, that bond may not be eligible for purchase in that strategy.

Daily News Checks

Dimensional performs regular news checks of portfolio companies in our eligible investible universe for reports of their potential involvement in significant controversies, including ESG controversies. If we believe that a controversy is likely to have a material impact on a portfolio company's financials, Portfolio Management may temporarily exclude the portfolio company from purchase, and the Investment Stewardship Group may engage with the portfolio company to learn more about the company's approach to managing the issues leading to the controversy. Examples of ESG controversies include, but are not limited to, those related to allegations of poor internal controls, worker safety issues, adverse environmental impact, consumer lawsuits and fraud.

In addition, Dimensional's Investment Stewardship Group monitors portfolio companies for the presence of certain non-shareholder-friendly governance features, such as poison pills, staggered boards and excessive compensation arrangements.

As previously reported, in 2022 we integrated our fixed income strategies into the daily ESG news check process. If there is evidence of a material ESG-related controversy at a corporate issuer held in our fixed income portfolios, we may temporarily exclude that issuer's bonds from purchase while we assess the investment implications.

Investment Monitoring

Our investment stewardship approach prioritises strong portfolio company oversight of material ESG-related risks, and we monitor portfolio companies' risk oversight practices as part of our standard stewardship activities. We may use ESG data, such as Sustainability Accounting Standards Board (SASB) standards, to help identify candidates for engagement or to inform our engagements. Furthermore, we track our engagements on ESG issues and follow up with portfolio companies on outcomes. If we believe that portfolio company boards have not adequately addressed shareholder concerns, we may decide to exercise our proxy votes against the appropriate board members. See Principle 11 for examples of Dimensional's stewardship activities and escalation mechanisms over the reporting period.

The Investment Stewardship Group maintains a watchlist of portfolio company directors in cases where we believe there are serious concerns relating to the corporate governance practices of a portfolio company. The Investment Stewardship Group uses the watchlist information to inform its votes against individuals when proposed for reelection at the applicable portfolio company and also at any other portfolio companies where the applicable director may be proposed for a seat on the board. As part of the process for Dimensional Ireland's ESG funds (described in more detail later in this section), cases such as these are brought to the attention of the Portfolio Management team. Following a decision by the Investment Committee, Dimensional may decide to halt further purchases of this security for Dimensional Ireland's ESG funds until such a time as the Investment Committee considers adequate remediation has been taken by the portfolio company.

As discussed in Principle 1, we seek to use stewardship activities to protect and enhance value across all our equity funds. Stewardship and investment decisions are integrated in the following ways.

Proxy Voting Decisions

During the reporting period, we continued to integrate our portfolio management activities with our proxy voting to exercise our proxy voting in a manner that we believe protects and enhances returns for investors. For instance, the Investment Stewardship Group solicits information and analysis from the Portfolio Management team when assessing proxy votes related to mergers and acquisitions. The Investment Stewardship Group and Portfolio Management team exchange information on these types of corporate actions, which is then considered for both proxy voting and investment decision-making purposes.

Investment and Divestment Decisions

When there is evidence of poor governance practices at a portfolio company, Dimensional generally believes we better serve our clients by using stewardship activities, rather than divesting, to encourage better standards of corporate governance. This is founded on the belief that a portfolio company's corporate governance practices are reflected in its market price and that improvements may be rewarded with a higher price. Given Dimensional's flexible approach to investing, the option to divest from a portfolio company is open to our Investment Committee. A decision by our Investment Committee to divest from a security, while very rare, has occurred when we have extreme corporate governance concerns and stewardship levers appear ineffective.

For Irish-domiciled ESG funds, portfolio companies determined to have poor governance practices by the Investment Stewardship Group are brought to the attention of the Portfolio Management team. A decision is then made by Dimensional's Investment Committee as to whether ceasing further investment is the appropriate course of action, and the Committee may also consider divestment from the portfolio company if merited.

As discussed in Principle 6, the dedicated sustainability and social strategies that we offer incorporate an additional level of environmental or social integration. These strategies are designed to decrease exposure to companies that are significant contributors to emissions or those with large fossil fuel reserves (such as oil, gas and coal) that may lead to future emissions while emphasising securities with higher expected returns and maintaining broad diversification. For these strategies, a portfolio company's corporate governance profile and information learned during engagement may also feed into investment decisions for portfolio companies involved in ESG controversies, as described above under Investment Monitoring.

ESG Data

We continue to spend a significant amount of time and effort on sourcing and developing ESG data. We regularly assess new ESG data vendors as well as monitor existing vendors for new ESG data that may be used either in our investment processes or by our Research department. We may purchase similar data from multiple vendors to compare and validate datasets, and we also develop proprietary datasets from various sources of information. During this period, Dimensional EMEA conducted a number of activities to source and develop data. These include:

- Completing the integration of new climate-related fossil fuel screens into relevant ESG funds.
- Utilising a new external data source for factory farming and palm oil screens within ESG funds.
- Implementing the use of external data on country-level carbon emissions as part of the rollout of sovereign screens within relevant fixed income ESG funds.

PRINCIPLE EIGHT

Monitoring Managers and Service Providers

Signatories monitor and hold to account managers and/or service providers.

Proxy Advisory Firms

We use the services of Institutional Shareholder Services ("ISS") to assist with the operational processing of proxy voting. ISS provides information on shareholder meeting dates and proxy materials, translates proxy materials printed in foreign languages, operationally processes votes in accordance with our custom Proxy Voting Policy and provides reports concerning the proxies voted.

In addition, ISS provides research and recommendations on proxies. Dimensional also considers research and recommendations from Glass Lewis and, for Australian securities, Ownership Matters. Leveraging the research and recommendations of multiple proxy advisory firms assists us in monitoring the quality of the research and recommendations provided by the service providers and serves as a source against which to check our own assessments.

We monitor services provided by all three proxy advisory firms to determine whether they have the capacity and competency to adequately analyse proxy issues and can make their recommendations in an impartial manner and in the best interests of Dimensional's clients. If concerns are identified, Dimensional will engage with the proxy adviser and, if the concerns are not addressed, escalate any issues to the Investment Stewardship Committee.

The Investment Stewardship Group provides our Investment Stewardship Committee with an Annual Proxy Advisor Capacity and Competency Report containing the outcome of our monitoring efforts. The report provides the Investment Stewardship Committee with additional information on, among other things, notable changes in the ownership, governance and business models of proxy voting advisers; steps taken by each proxy voting adviser to address its conflicts of interest; cybersecurity policies and procedures of proxy voting advisers; and updates on US regulations regarding monitoring of proxy advisers.

To assess the capacity and competency of proxy advisers, Dimensional takes various actions, which may include:

- For ISS and Glass Lewis, conducted periodic sampling of certain votes pre-populated by the proxy advisory firm's system as well as votes cast by the proxy advisory firm to review that the guidelines adopted by the Advisers are being followed.
- Leveraged data from proxy advisory firms and custodians to conduct a weekly ballot reconciliation process.
- Conducted onsite visits to the proxy advisory firm office and/or discussions with the proxy advisory firm to seek to determine whether the proxy advisory firm continues to have the capacity and competency to carry out its proxy obligations.

- Reviewed those aspects of the proxy advisory firm's policies, procedures and methodologies for formulating voting recommendations that Dimensional considers material to the services provided to Dimensional, including (a) those relating to the proxy advisory firm's efforts to identify, address, mitigate and disclose actual or potential conflicts of interest, (b) the proxy advisory firm's efforts to obtain current, accurate and complete information in creating recommendations and research, and (c) the proxy advisory firm's ability to provide services consistent with ERISA.
- Requested that the proxy advisory firm notify Dimensional if there is a substantive change in the proxy advisory firm's policies and procedures described or otherwise to its business practices.
- Reviewed how and when the proxy advisory firm engages with, and receives and incorporates input from, portfolio companies, the proxy advisory firm's clients and other third-party information sources, as well as how and when the proxy advisory firm makes available from portfolio companies, or other sources, additional information about a matter to be voted.
- Assessed how the proxy advisory firm considers factors unique to a specific issuer or proposal when evaluating a matter subject to a shareholder vote.
- In cases of an error made by the proxy advisory firm, discussed the error with the proxy advisory firm and determination of whether (a) the error affected the proxy advisory firm's proxy voting services and (b) appropriate corrective and preventive action is being taken.
- Assessed whether the proxy advisory firm appropriately updates its methodologies, guidelines and voting recommendations, including to address any deficiencies, on an ongoing basis and incorporates input from issuers and proxy advisory firm clients in the update process.

During the reporting period, Dimensional deemed the above proxy advisory firms to have met our expectations to have the capacity and competency to timely and adequately analyse proxy issues, as well as make impartial recommendations in consideration of the best interests of Dimensional's clients and consistent with Dimensional's voting policies and fiduciary duties.

ESG Data Providers

Dimensional leverages ESG data from several vendors for use in our stewardship, portfolio management, compliance and research activities. These vendors, from whom Dimensional procures various datasets, include MSCI Inc. ("MSCI"), ISS, Standard & Poor's (S&P), Bloomberg and the IFRS Foundation. These ESG data sets include raw issuer-level metrics such as greenhouse gas emissions, total potential emissions, coal involvement, revenues earned from alcohol production and revenues earned from tobacco production. Additionally, Dimensional receives issuer-level controversy-related metrics, such as child labour controversy scores, as well as business activity information, such as involvement in the production of cluster munitions, sustainability-focused industry codes and other related measures.

Vendors typically deliver updates to their respective datasets on a monthly or quarterly basis, depending on the dataset. Dimensional's Investment Analytics and Data team (part of the Research function) handles the integration and curation of these datasets within our internal systems, as well as the integration of datasets into the portfolio construction process and into necessary reporting processes. This team actively monitors data quality through a variety of automated validations, including period-to-period data changes, comparisons of data between multiple vendors and additional quality assurance mechanisms which result in deeper investigation from our analysts.

Issues that surface in the quality controls are escalated to the relevant vendors as necessary and are tracked through remediation. Strong relationships with these vendors are fostered so that they are responsive to Dimensional's requests, which may result in improvements with respect to service levels and data quality.

As part of our monitoring of our ESG data and service providers, during the reporting period:

- We derived data points to classify each portfolio company in the equity and fixed income universes according to various metrics (e.g., sorting companies into quintiles based on emissions per dollar revenue within industry).
- Dimensional's teams escalated over 400 individual data exceptions to our service providers for review and potential correction. Prior to the reporting period, Dimensional formed a Sustainability Data Working Group to evaluate large changes in data as well as check impacts of newsworthy events on data. A process to allow for temporary overwrites of data was put into place, and systems were built to support that process.
- We discussed with data vendors how to improve efficiency and accuracy of palm oil and factory farming data.

PRINCIPLE NINE

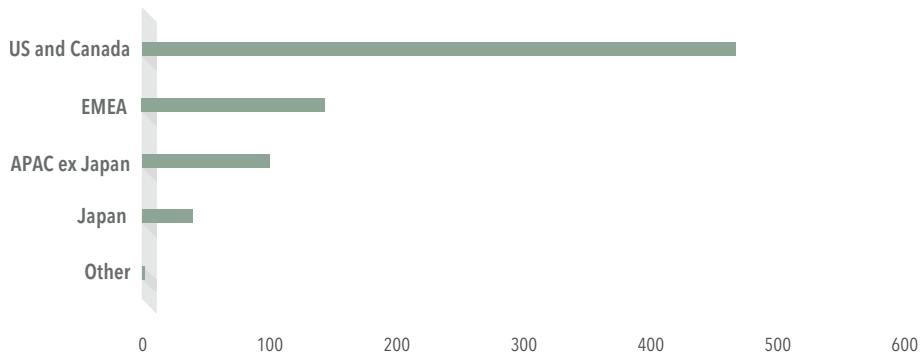
Engagement

Signatories engage with issuers to maintain or enhance the value of assets.

Dimensional engages with company management and board members at certain portfolio companies through phone calls, virtual meetings, in-person meetings or written correspondence. Dimensional's engagement efforts are conducted by members of Dimensional's Investment Stewardship Group located in the US, London and Sydney, as well as stewardship-trained Portfolio Management professionals located in Tokyo. Engagements are divided amongst offices based on the location of the portfolio company. The substance of these engagements may vary due to differences in the legal and regulatory regimes applicable to Dimensional in different jurisdictions.³

Engagements outside of North America represented nearly 40% of total engagements during the reporting period.

ENGAGEMENTS BY REGION



2024–2025 Investment Stewardship Priorities

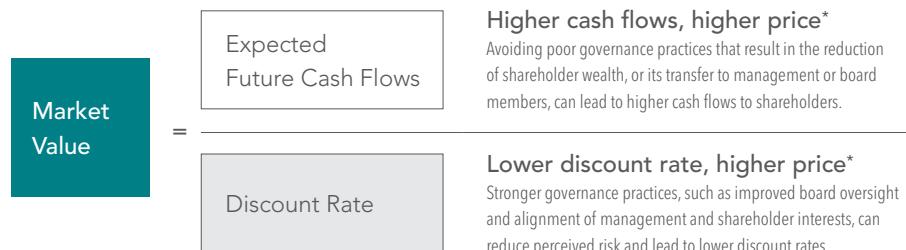
Board Composition and Structure	<p>We expect a portfolio company's board of directors to represent the interests of shareholders.</p> <p>Board independence and diversity of backgrounds, experiences and skill sets are important issues in assessing board composition at portfolio companies.</p>
Material Environmental and Social Risks	<p>Portfolio company boards should exercise oversight of material environmental and social risks that may have economic ramifications for shareholders. Portfolio companies should disclose these risks and related oversight to shareholders.</p>
Shareholder Rights	<p>We expect portfolio companies to maintain mechanisms for shareholders to raise concerns and hold companies accountable.</p>
Executive Compensation	<p>Portfolio companies' compensation plans should be based on rigorous and transparent metrics that display a clear link between pay and long-term performance.</p>

3. Although Dimensional discusses governance matters with portfolio companies to represent client interests, Dimensional's stewardship activities are not undertaken with the purpose or intended effect of changing, or influencing, the control of any portfolio company.

Consistent with our belief that corporate governance practices are reflected in prices, our engagement efforts are centred on the issues we think are most likely to impact shareholder value. For instance, we may engage on executive remuneration and antitakeover devices because of the impact the issue may have on expected future cash flows.

Similarly, we may engage with portfolio companies to understand how they are managing risk (including environmental and social risk) and support effective board oversight, as strong risk management may have a positive influence on the discount rate assigned by the market. Lower discount rates and higher cash flows may result in increased valuations.

Stronger Governance Practices Can Improve Returns



*All else equal. Not guaranteed.

Dimensional incorporates a significant amount of research and data from specialised data providers including ISS, Glass Lewis, Ownership Matters, the IFRS Foundation, and MSCI. We also consider data available through public filings and publications from nongovernmental organisations (NGOs), regulators and the media. We combine these sources of information with internal data, which may include a portfolio company's overall governance profile, recent public ESG controversies, the holdings of Dimensional's clients in the portfolio company, recent or upcoming proxy votes, and follow-ups from prior engagements, to create a screening-system that identifies which portfolio companies are most likely to require engagement. The screening system also identifies primary concerns at each portfolio company, which helps to form the agenda for any subsequent engagement.

The goals of subsequent engagement will vary depending on the unique circumstances of each situation and Dimensional's engagement history with the portfolio company but may include establishing or furthering dialogue or to gain an understanding of the company's approach to corporate governance, including the management of material environmental and social issues facing a portfolio company.

Dimensional tracks items discussed during each engagement with a portfolio company and flags areas that it wishes to monitor or follow-up on.

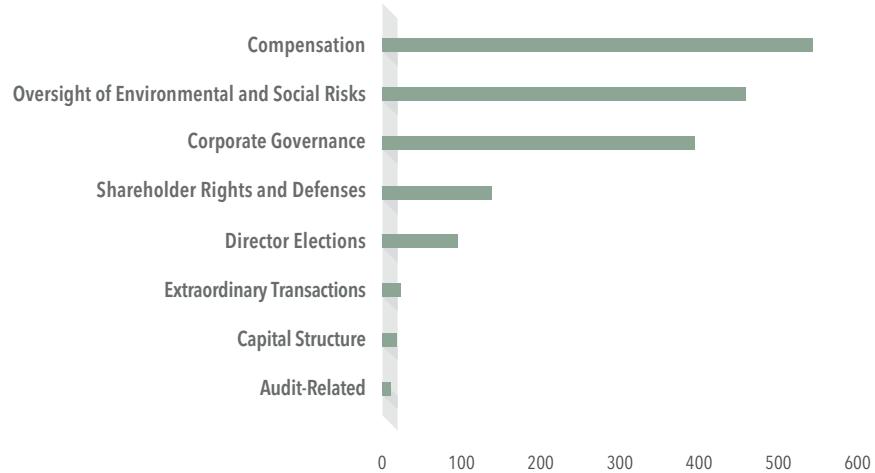
Engagement frequently plays a role in the escalation of our stewardship activities. Please see Principle 11 for more information.

Global Engagement

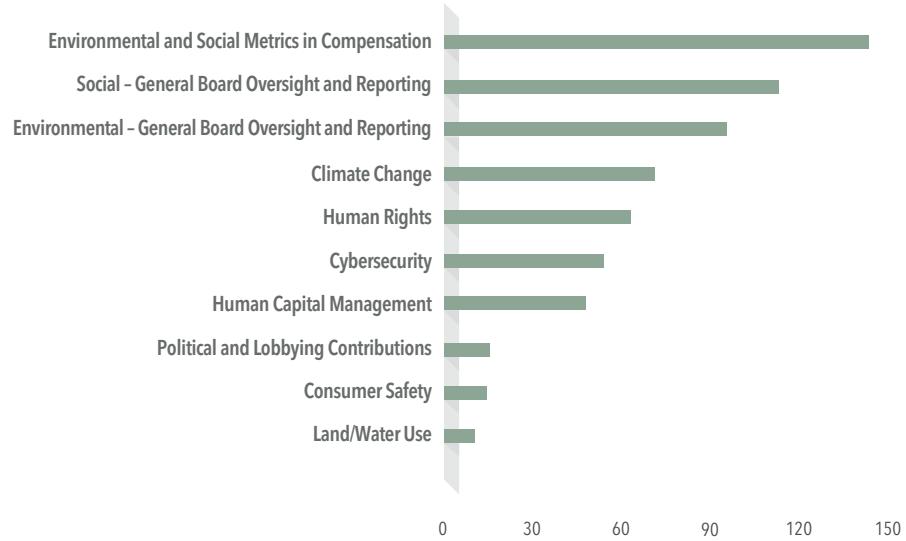
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Engagements⁴

Over half of engagements included discussion of executive compensation.

ENGAGEMENTS BY TOPIC⁵

ENGAGEMENTS BY ENVIRONMENTAL AND SOCIAL TOPIC



4. Includes calls with portfolio companies and dissident and shareholder proponents.

5. Engagements may cover multiple topics. Total number of topical discussions will exceed total number of portfolio company discussions due to many discussions covering multiple stewardship topics.

Risk Oversight at CACI International Inc.

Goal	Effective risk management.
Background	<p>In November 2024, a US jury ordered CACI Primier Technology, Inc., a private subsidiary of CACI International Inc. ("CACI"), to pay \$42 million in compensatory and punitive damages for the mistreatment of three individuals by CACI personnel in 2003-2004. Dimensional's portfolio management team sought to engage with CACI as part of a standard review process for portfolio companies where there was an indication of severe governance failures. In certain circumstances, companies with poor governance practices may be brought to the attention of Dimensional's Investment Committee to determine whether ceasing further investment is the appropriate course of action, and the Committee may also consider divestment from the portfolio company if merited.</p>
Engagement	<p>Members of Dimensional's portfolio management and investment stewardship teams engaged with CACI to understand the policies and procedures governing employee conduct and the mechanisms in place to ensure that violations of these policies and procedures are appropriately reported to the Board. CACI stated that the board of directors is responsible for providing oversight of the company's ethical standards as outlined in the company's Corporate Governance Guidelines. CACI's board of directors is also responsible for reviewing and approving any significant revisions to the company's Standards of Ethics and Business Conduct, which are aimed at mitigating risks and fostering compliance for employees and contractors. The Standards of Ethics and Business Conduct state that an employee or contractor's failure to comply with CACI's Standards of Conduct may result in disciplinary action.</p>
Outcome	<p>Dimensional believed that the CACI board of directors has adequate oversight of the issues raised in the recent court case and that the matter did not need to be referred to the Investment Committee. Dimensional intends to continue to monitor the company's risk management practices going forward.</p>

Board Refreshment at NVE Corporation

Goal	Disclosure of the board assessment and refreshment process.
Background	<p>In March 2020, Dimensional sent a letter to NVE Corporation ("NVE") as part of our board refreshment letter campaign. NVE was included in the letter campaign because Dimensional determined that the portfolio company's public disclosure of its board assessment and refreshment process was insufficient for shareholders to adequately understand the portfolio company's approach. Dimensional encouraged NVE to include a robust description of their process for director selection in their annual report or proxy, and to consider disclosing a skills matrix that NVE's board illustrates which key competencies are possessed by each board member. Dimensional voted against incumbent directors in both years as the portfolio company failed to disclose the requested information.</p> <p>In July of 2024, Dimensional noted that NVE improved its disclosure and now outlines their board evaluation process in their proxy statement. In this new disclosure, the board now states that their process focuses on the board's effectiveness in carrying out its responsibilities including strategy, governance, and risk oversight, and now includes an annual self-evaluation process.</p>
Engagement	Dimensional engaged with the President and CEO of NVE in July 2024 to better understand what led to the improvements. Consistent with public disclosures, the improvements were made in response to feedback from NVE's investors.
Outcome	In light of NVE's improved board evaluation process and related disclosure, Dimensional supported all directors in 2024. All the directors at NVE Corp were reelected, with all directors receiving greater than 89.1% support.

Shareholder proposal review at Rio Tinto Plc and Rio Tinto Ltd (“Rio Tinto”)

Goal	Evaluate shareholder proposal case for an independent review.
Background	<p>Rio Tinto plc and Rio Tinto Ltd (collectively, “Rio Tinto”) received a shareholder proposal at the 2025 annual shareholder meeting from Palliser Capital (“Palliser”) requesting an independent review of the benefit to shareholders of the unification of the dual-listed companies’ structure into a single Australian-domiciled holding company.</p> <p>Following an activist campaign by Palliser in 2024, Rio Tinto conducted an internal review, which found that unification would not be in shareholders’ best interest. Rio Tinto did not publish their internal review, but did publish a summary of the review’s conclusions,</p>
Engagement	<p>Dimensional engaged with both Rio Tinto and Palliser to better understand the potential costs and benefits of an independent review.</p> <p>Rio Tinto representatives stated that the independent review requested by Palliser would be an unnecessary cost to shareholders as it would duplicate work already conducted by the portfolio company board during their internal review.</p> <p>Palliser stated that absent publication of the full internal review, shareholders would be unable to understand how Rio Tinto arrived at the costs and benefits of unification cited in the published conclusions. Therefore, an independent review of these findings was warranted.</p>
Outcome	<p>After engaging with both Rio Tinto and Palliser, Dimensional concluded that, absent evidence that the review conducted by the portfolio company board was conflicted or otherwise problematic, support for the Palliser proposal was not warranted. Therefore, Dimensional voted against this proposal at the April 3, 2025, shareholder meeting of Rio Tinto plc and at the May 1, 2025, shareholder meeting of Rio Tinto Ltd. The proposal failed, receiving 19% support from the joint electorate.</p>

PRINCIPLE TEN Collaboration

Signatories, where necessary, participate in collaborative engagement to influence issuers.

Dimensional is a member of various organisations that work to improve transparency and accountability regarding ESG issues. Dimensional is also a signatory to the United Nations Principles for Responsible Investment, and Dimensional US is a signatory to the Japan Stewardship Code.

Dimensional is also an associate member of the Council of Institutional Investors ("CII"), a member of the International Corporate Governance Network, a member of the Harvard Law School Institutional Investor Forum ("HIIF"), and a member of the Asian Corporate Governance Association, which are organisations dedicated to promoting good corporate governance. Dimensional personnel are active with the US Investment Company Institute ("ICI"), ICI Global, US Investment Advisers Association ("IAA") and the UK Investment Association ("UKIA"), which are industry organisations that seek to strengthen the foundation of the asset management industry for the ultimate benefit of long-term investors. The organisations are regularly involved in commenting on the development of new laws and regulations that impact investors, investment companies and issuers, including those that relate to ESG issues.

In undertaking any such collaborative activities, Dimensional seeks to comply with all applicable legal and regulatory requirements. Dimensional is open to dialogue with portfolio company management and dissident groups. While regulatory concerns may prevent us from acting collectively with other investors, we will consider communicating with other investors in relation to specific portfolio companies when we believe that doing so is in the best interest of our clients, is likely to maximise the value of their investment, is consistent with our policies and guidelines and is permissible under applicable guidance, laws and regulations. If we believe that other investors have valid concerns, we may communicate with them to understand their concerns; this may help inform our view of company management. Regardless of these collaborative activities, Dimensional acquires securities on behalf of its clients solely for the purpose of investment and not with the purpose or intended effect of changing or influencing the control of any portfolio company and seeks to avoid acting in concert or as a group with other investors.

Promoting Best Practices in Corporate Governance

Over the reporting period, Dimensional has collaborated with other stakeholders to promote best practices in corporate governance by participating in a number of working groups, advisory councils and roundtables hosted by the following organisations and others:

- CII Corporate Governance Advisory Council: Dimensional's Head of Investment Stewardship is a member of the CII Corporate Governance Advisory Council. The CII Corporate Governance Advisory Council's stated aim is to provide input to the CII board and staff about CII activities that promote effective corporate governance. Dimensional continued to participate in CII activities, including contributing to CII-run events during the reporting period.
- HIIIF Advisory Council: Dimensional maintains representation as a member of the HIIIF Advisory Council. The HIIIF Advisory Council consists of leading governance officers from the institutional investor community and provides the HIIIF with input on events and topics that could add value to the community of investors.
- ICI Working Groups: Dimensional representatives continue to actively participate in working groups organised by the ICI on various issues related to stewardship, including ESG-related matters.

Harvard Law School Institutional Investor Forum Participation

Dimensional has been a member of the HIIIF since 2013. The HIIIF is supported by a wide set of stakeholders, including public pension funds, mutual funds, and other investing institutions in the US and other jurisdictions representing assets of more than USD 15 trillion. As an active member of the HIIIF, sitting alongside other institutional investors, Dimensional discusses a wide array of thematic stewardship issues with proxy advisors, regulators and some of the largest companies in the world, including Microsoft, Coca-Cola Co., and Amazon, among others.

During forums held in the reporting period, Dimensional discussed several thematic stewardship issues, including the impact of recent regulatory changes on the shareholder proposal process, investor-company engagement process, and investor voting on diversity and inclusion ("D&I") related matters among other topics. On the topic of D&I, Dimensional expressed the view that our approach to this issue has not changed and remains focused on the capacity and competency of the members of the board to appropriately oversee the management of the company's human capital risks.

Asian Corporate Governance Association (ACGA) Participation

Dimensional joined the Asian Corporate Governance Association (ACGA) in 2023. ACGA is supported by a wide set of stakeholders, including public pensions, sovereign wealth funds, investment managers, listed and unlisted companies, development banks, accounting firms, business associations and educational institutions. As an active member of ACGA, Dimensional and other institutional investors discuss a wide array of thematic stewardship issues impacting capital markets across the Asia Pacific region through its ACGA Investor Discussion Group and through its Member Briefings.

Dimensional is also an observer to one of ACGA's working groups focused on India, which seeks to engage and advocate to regulators and issuers on corporate governance topics in India.

Advocacy Relating to Regulations That May Affect Issuers

Over the reporting period, Dimensional has actively participated in several industry working groups in which industry participants work together to review the potential impact of proposed regulations on issuers and help inform the industry group's written submissions to regulators. These included ICI and IAA working groups relating to US proposed rules, ICI Global working groups relating to UK, European and Australian consultations, and the UK Investment Association ("IA") working groups relating to UK and European consultations. As part of these working groups, Dimensional representatives contributed to numerous calls and provided written comments to industry group responses to regulators.

Dimensional also submits its own comment letters on proposed rules and regulations to help promote investor interests and well-functioning markets. Participation in the above collaborative working groups may help inform Dimensional's views. Dimensional may also consult with academics and researchers when drafting our own comment letters. Over the reporting period, Dimensional submitted comment letters relating to corporate governance and/or ESG matters to the Monetary Authority of Singapore and UK Financial Reporting Council.

UK Financial Reporting Council – UK Stewardship Code Consultation

Goal	Support the proposed changes to the UK Stewardship Code.
Background	In November 2024, the UK Financial Reporting Council (FRC) launched a consultation on its proposed changes to the UK Stewardship Code. The proposed changes included amending the definition of stewardship to support more transparent conversations between actors in the investment chain about their investment beliefs and objectives, and streamlining the principles to help concentrate reporting on the most insightful areas of reporting.
Collaboration	Dimensional participated in calls and roundtables hosted by the FRC and the IA to understand the FRC's intent behind the changes and industry's reaction, as well as contribute our views on the proposed changes.
Outcome	Dimensional submitted a response to the FRC's consultation. In our letter, we supported the proposed revised definition of stewardship, and we supported the proposed changes to streamline the principles. In June 2025, the FRC published its final UK Stewardship Code 2026, which adopted the revised definition of stewardship and changes to streamline the principles.

PRINCIPLE ELEVEN

Escalation

Signatories, where necessary, escalate stewardship activities to influence issuers.

The escalation strategy used by Dimensional with a portfolio company will vary depending on the facts and circumstances of each case. Escalation may involve:

1. Engagement with portfolio company management and board members through phone calls, virtual meetings, in-person meetings or written correspondence.
2. Voting action, including voting against directors or for shareholder proposals.
3. Internal escalation within Dimensional to the body responsible for investment decision-making (for example, the relevant board or committee).
4. In cases where the issue may be relevant to other portfolio companies, the escalation of concerns to industry groups and regulators.

Dimensional does not have a set list of specific issues that are subject to escalation; however, certain types of portfolio company behaviours are likely to result in escalation. Common reasons for escalation include a lack of responsiveness to concerns raised by Dimensional or other shareholders sustained poor governance practices, inadequate disclosure and unwillingness to engage with shareholders.

As a first step, Dimensional seeks to engage with portfolio company management and board members. In these instances, our goal is to clearly communicate our policy, provide an explanation of how that policy applies to the situation at the portfolio company and advise of the potential for voting action should issues remain unaddressed. Where we deem that engagement has proven unsuccessful (or where the portfolio company has not responded to our request for engagement), Dimensional may vote against, or withhold voting for, individual directors, committee members or the entire board. For instance, during the reporting year, we voted against members of the remuneration committee at 366 companies due to persistent concerns with executive remuneration.

Where we deem this to be insufficient, we may vote against, or withhold votes for, individual directors, committee members or the entire board at all other portfolio company boards the director/committee member serves. During the reporting year, this approach was applied as follows:

- 108 directors received against votes at other portfolio company boards for allowing a director who failed to receive majority support to remain on the board.
- 25 directors received against votes at other portfolio company boards for failing to submit a shareholder rights plan (poison pill) for shareholder approval.

Dimensional may also vote in favour of related shareholder proposals consistent with Dimensional's general approach on such issues. For instance, during the reporting year, we supported a proposal at National Beverage Corp.'s annual general meeting (AGM) requesting the company publish an annual ESG Report. National Beverage Corp. recognised several ESG risks as material in its 2024 annual report; but did not disclose explicit board oversight of ESG issues. Dimensional expects portfolio companies to provide sufficient disclosure regarding their oversight of material risks, including environmental and social risks the company faces, including the potential impact those risks could have on a portfolio company's business, operations, and strategy, the individuals responsible for managing these risks, and the metrics used to assess the handling of these risks. As National Beverage Corp. was unresponsive to our request for engagement, we voted in favour of the shareholder proposal.

The above framework is applicable to all equity portfolios.

Remuneration Practices at Mapfre SA.

Goal	Improved executive remuneration practices.
Background	Dimensional voted against proposals to approve Mapfre SA's ("Mapfre") backward-looking remuneration report at the 2023 and 2024 annual shareholder meetings due to persistent concerns with the lack of disclosure of the link between performance outcomes and variable pay, as well as the portfolio company broad discretion of the board to grant exceptional bonuses to departing executive.
Engagement	Dimensional's Investment Stewardship Group engaged with Mapfre in December 2024 to discuss its remuneration practices. During this engagement, Dimensional shared the concerns that had led to our decision to vote against Mapfre's remuneration reports in 2023 and 2024. At the time of Mapfre's AGM in March 2025, Dimensional's Investment Stewardship team evaluated Mapfre's remuneration report and, following that review, concluded that our concerns that led to Dimensional's votes against in 2023 and 2024 had still not been resolved.
Outcome	Dimensional supports remuneration for executives that is clearly linked to the portfolio company's performance and expects portfolio companies to disclose information sufficient for shareholders to assess this link. Given the lack of disclosure in Mapfre's publicly available materials, Dimensional voted against Mapfre's remuneration policy and report at the company's March 2025 AGM. In addition, as the lack of disclosure has been a persistent issue, Dimensional voted against the re-election of the incumbent remuneration committee member. Although the proposals each received approximately 90% support, this high level of support was driven by the votes in favor of an affiliated shareholder controlling 70% of the voting shares. Dimensional intends to monitor Mapfre's engagement with independent shareholders, such as Dimensional, and any changes made in response to independent shareholder feedback.

PRINCIPLE TWELVE
**Exercising
 Rights and
 Responsibilities**

Signatories actively exercise their rights and responsibilities.

Proxy Voting

When voting (or refraining from voting) proxies, Dimensional seeks to act in the best interests of its clients. We seek to maximise shareholder value, subject to the standards of legal and regulatory regimes, applicable to Dimensional or the client, and any particular investment or voting guidelines of specific funds or accounts.

Dimensional's Proxy Voting Policy is principles-based, setting out our views on certain governance practices and providing the framework by which we analyse key proposal types. To the extent the Proxy Policy and Proxy Voting Guidelines do not cover specific voting issues, we may consider the spirit of the policy and guidelines and instruct the vote on such issues in a manner that we believe would be in the best interests of the relevant client(s). In cases of particularly complicated votes, including those that present a potential conflict of interest, input will be sought from the Investment Stewardship Committee, as described in the Proxy Voting Policy.

As discussed in Principle 5, Dimensional has a rigorous approach to developing our Proxy Voting Policy and Proxy Voting Guidelines, taking into account the views of a number of internal stakeholders, including Portfolio Managers. As such, all of Dimensional UK's commingled vehicles follow the Proxy Voting Policy and one of the three Proxy Voting Guidelines implementations. The voting arrangements for separate and subadvised portfolios are generally determined by the relevant client's investment management agreement; however, if voting authority is delegated to Dimensional UK, clients typically agree to follow Dimensional's Proxy Voting Policy and one of the three Proxy Voting Guidelines implementations.

As discussed in Principle 8, Dimensional leverages the services of ISS to implement our Proxy Voting Policy and execute votes; however, Dimensional retains final discretion on how to vote on all proposals. Similarly, as discussed in Principle 8, Dimensional conducts various monitoring activities which seek to ensure accurate execution of our votes. Dimensional leverages the research and recommendations of ISS, Glass Lewis and Ownership Matters. The extent to which the recommendations of the various proxy advisers are followed depends on the issue being voted on as well as the market in which the vote is being cast.

As our proxy voting service provider, ISS tracks our eligible voting positions for each shareholder meeting. Dimensional generally seeks to vote all eligible positions; however, Dimensional takes into consideration the costs associated with voting and, in particular, with respect to non-US markets, may not vote in instances where the expected costs for a given portfolio outweigh the economic benefit of doing so. Additionally, Dimensional may not vote in certain markets due to marketwide voting impediments such as share blocking, re-registration and onerous power of attorney requirements.

For the year ending 30 June 2025, we voted 84% of the total value of listed equity holdings held in accounts for which we had voting authority.

Dimensional recognises that concerns have been raised in the industry around the issue of empty voting. Empty voting occurs when the holder of record no longer has an economic interest in the security to which voting rights are associated. In many cases, this arises when record dates are set by portfolio companies retroactively; this is industry practice in the US and many other global markets. As a result, holders of record may have already sold their shares prior to the announcement of a record date. While this is an unintended consequence, the effect in these situations is that voting rights may be exercised by persons who no longer have an economic interest in the underlying shares.

Dimensional takes into consideration the costs associated with voting and generally will vote in instances where the expected economic benefit of doing so outweighs the costs for a given portfolio, including revenue from securities lending. If Dimensional has agreed to monitor securities lending activity for an account, Dimensional will balance the revenue-producing value of loans against the difficult-to-assess value of casting votes. Dimensional does intend to recall securities on loan if, based upon information in Dimensional's possession, it determines that voting the securities is likely to materially affect the value of a client's investment and that is in the client's best interests to do so.

Historical voting records for Dimensional's mutual funds, ETFs, Irish UCITS and UK UCITS, as well as for the Canadian funds and Australian trusts, are disclosed on our regional websites. Rationales for specific votes deemed significant by Dimensional can be found in the Vote Rationale Disclosure Report available on our website.

Fixed Income

Proxy voting is important as it drives governance improvements and sets up leverage which investors can use to hold boards and company management accountable.

Dimensional broadly incorporates governance considerations into the investment management process through its proxy voting as well as communicates with portfolio companies to share Dimensional policies and areas of focus with regard to governance practices. In general, creditors are not entitled to an annual vote and therefore do not have such a mechanism to influence a portfolio company's governance. In addition, different rights held by bondholders and shareholders can not only introduce potential conflicts of interest, but also different governance priorities when it comes to certain issues like capital allocation and distribution policies. This said, Dimensional's corporate governance approach promotes best governance practices in areas such as board effectiveness, executive compensation and corporate integrity, where interests between equity and debt holders are closely aligned. Dimensional also continues to engage with industry groups, such as the International Corporate Governance Network, to identify whether there are other investment stewardship activities relevant to fixed income assets that we believe would add value to our clients.

The following case studies provide examples of Dimensional's stewardship activities related to exercising voting rights and responsibilities during the reporting period.

Remuneration Practices at Mineral Resources Limited.

Goal	Effective board oversight of risk management and remuneration practices.
Background	<p>In 2022, Mineral Resources began an investigation into their founder and CEO after a whistleblower alleged that the CEO had failed to report profits from sales to Mineral Resources made by an offshore entity in which he had an interest to the relevant tax authorities. While the investigation was underway, the CEO entered into a nearly \$4m settlement with the Australian Tax Office (ATO) in May 2023, but did not report the settlement to the Mineral Resources board until November 2023.</p> <p>Shareholders became aware of the investigation and the settlement following media coverage in October 2024. Mineral Resources' stock price subsequently fell by over 25%.</p>
Engagement	<p>In October 2024, Dimensional engaged with Mineral Resources's board chair to understand the company's handling of the investigation, the lack of proactive public disclosure, and any changes made to the portfolio company's risk management practices. Additionally, Dimensional sought to understand the board's decision not to exercise the portfolio company's clawback provision to recoup awards granted during the period of misconduct.</p>
Outcome	<p>Dimensional expects portfolio companies to structure executive compensation in a manner that does not insulate their management team from the consequences of failures of risk oversight and portfolio company management.</p> <p>Consistent with our view that executive remuneration should align the interests of management and shareholders, Dimensional voted against the remuneration report at Mineral Resources' November 2024 annual general meeting. The proposal failed to pass and resulted in a first strike on the remuneration report.</p> <p>In November 2024, Mineral Resources announced that the CEO will step down within 18 months, will be required to repay historical regulatory liabilities, and will forfeit certain elements of his pay. The chair of the board will also step down before the next AGM.</p> <p>Dimensional believes directors should be accountable for failures of risk oversight and management; however, as no incumbent directors were up for election at the 2024 AGM, Dimensional supported all nominees. Dimensional intends to monitor the response of the Mineral Resources' board to the shareholder vote, including the extent to which the board strengthens relevant risk management and executive remuneration policies, procedures, and practices. Dimensional may take voting action against incumbent directors in future years if concerns persist.</p>

Remuneration Practices at PVA TePla AG

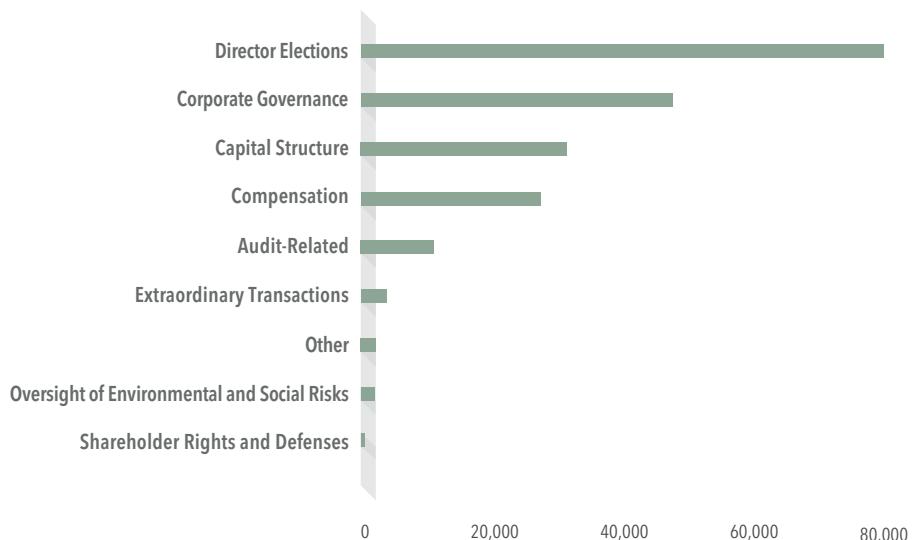
Goal	Improved executive remuneration practices.
Background	<p>PVA TePla AG ("PVA TePla") sought shareholder approval for the portfolio company's remuneration report at their August 2024 shareholder meeting.</p> <p>In reviewing the public disclosures released by PVA TePla in advance of the shareholder meeting, Dimensional identified several concerns with the report: 1) it did not include sufficient disclosure of the specific targets and performance against targets underlying variable payouts; 2) the severance payment awarded to the former CEO was not in line with the German Corporate Governance Code; and 3) the portfolio company lacked a formal board committee tasked with overseeing remuneration practices.</p>
Engagement	<p>In July 2024, Dimensional engaged with PVA TePla's representatives to share concerns about the lack of disclosure and oversight of their remuneration practices, as well as our concerns with the former CEO's severance package.</p>
Outcome	<p>Dimensional generally supports remuneration plan metrics that are quantifiable and clearly tied to a portfolio company strategy and the creation of shareholder value. However, Dimensional voted against the remuneration proposal at PVA TePla's August 2024 shareholder meeting due to the lack of disclosure and quantifiable targets. The resolution failed to receive majority support from shareholders, accounting for 46% of the votes for the proposal. As part of EU regulations from the Shareholder Rights Directive II, PVA TePla's next remuneration report will need to explain how the vote outcome has been taken into consideration. Dimensional will consider PVA TePla's efforts to understand and respond to shareholder concerns when voting at the 2025 annual general meeting</p>

Board Oversight of Worker Safety at Solar Industries India Limited

Goal	Board accountability for worker safety.
Background	<p>Dimensional's Investment Stewardship Group leverages information from multiple news and data sources to monitor portfolio companies' handling of environmental, social, and governance matters. When this review identifies potential material failures by the board or management, Dimensional may seek to engage or take voting action on relevant ballot items.</p> <p>At Solar Industries Limited ("Solar"), third-party research flagged two safety incidents in 2023. One incident killed nine employees and injured several others in a blast at an explosives factory, and in a separate incident killed a contract worker at a wholly owned subsidiary's explosive factory. Information on worker safety and training, specifically regarding explosives, was absent from Solar's public disclosures, including their annual report and Business Responsibility and Sustainability Report (BRSR).</p>
Engagement	<p>In June and July 2024, Dimensional requested an engagement with Solar. Solar did not respond to our request.</p>
Outcome	<p>Dimensional had concerns with the disclosure and implementation of policies relating to worker safety. As Solar states in their BRSR that the managing director/CEO is ultimately responsible for implementing responsible business practices, Dimensional voted against the incumbent managing director.</p> <p>The director was reelected with relatively low support (65.46%).</p> <p>Dimensional intends to monitor Solar's responsible business practices around worker safety and training.</p>

Management proposals represented 97% of the proposals voted. Shareholder proposals represented 3% of proposals voted.

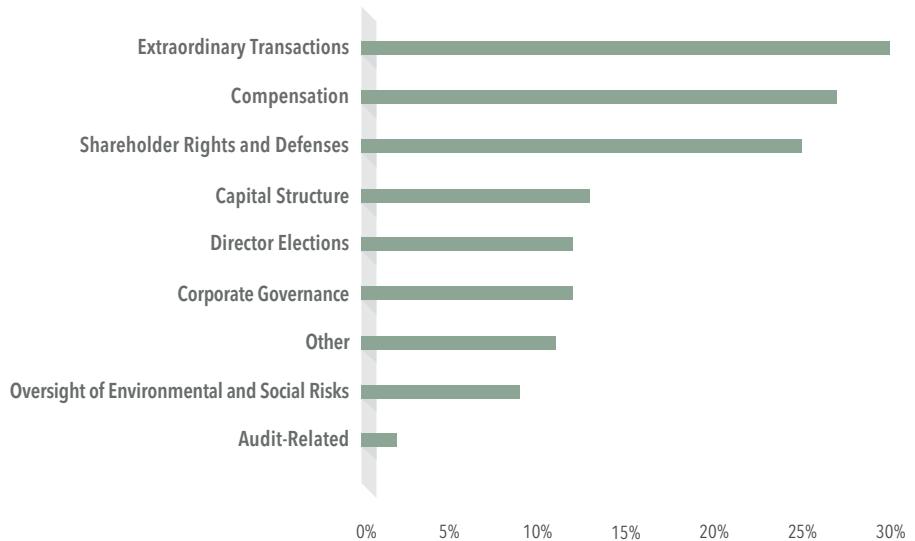
PROPOSALS VOTED BY TOPIC⁶



Dimensional voted against the majority of antitakeover plans and related provisions in 2023-2024.

VOTES AGAINST MANAGEMENT BY TOPIC

Dimensional votes (or refrains from voting) proxies in accordance with internal guidelines, which are designed to encourage portfolio companies to maintain governance policies consistent with maximising shareholder value.



6. Proposals may cover multiple categories.

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Environmental and social screens may limit investment opportunities for a strategy.

Diversification neither assures a profit nor guarantees against loss in a declining market.

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