
Responsible Investment Report

2022



Responsible Investment Report 2022

Reporting Period: July 1, 2021–June 30, 2022

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Letter from Our Head of Responsible Investment

We are proud to present Dimensional's¹ 2022 Responsible Investment Report. Dimensional's responsible investment activities span our operations, investments, and client service efforts. The work we do is grounded in our commitment to provide investors with research-driven investment solutions.

It has been just over a year since I began my tenure as Dimensional's Head of Responsible Investment. In that time, we have built out our Responsible Investment team and governance structures, including forming our ESG Steering Committee, setting up regional ESG working groups, and deepening our dialogue with thought leaders and academics through our Network of Researchers and Academics. Dimensional's efforts remain focused on understanding the needs, priorities, and goals of our clients and how we can apply robust financial science on their behalf.

Investment stewardship remains a cornerstone of our responsible investment efforts. We focus on seeking to protect and enhance shareholder value on behalf of our clients and the role of good governance at portfolio companies. Our Investment Stewardship team and Portfolio Managers conducted over 600 engagements² with companies around the world and cast over 180,000 proxy votes. Executive compensation, environmental and social risks, and board composition were the primary topics of discussion in our engagements with portfolio companies this year.

Within Dimensional, our sustainable operational efforts have matured, as we have formed a Sustainable Operations Task Force, have brought on sustainability consultants, and continue to carry out a multiyear sustainability initiative to reduce our operational carbon footprint.

This year's report provides updates on our responsible investment efforts. We aim to serve our clients in a manner that is evidence based. Clients entrust us with their financial assets, and we take the responsibility to be effective stewards of those assets extremely seriously.

Signed,



Jim Whittington
Head of Responsible Investment and
Vice President of Dimensional Fund Advisors Ltd.

1. "Dimensional," "our," "us," or "we" may refer to the Dimensional separate but affiliated entities generally, rather than one particular entity. These entities are Dimensional Fund Advisors LP, Dimensional Fund Advisors Ltd., DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd., Dimensional Ireland Limited, and Dimensional Japan Ltd. Dimensional may vote proxies on behalf of the funds it manages and separate account mandates where clients have given us authority to vote.

2. Dimensional from time to time may discuss governance matters with portfolio companies to represent client interests; however, regardless of such conversations, 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.

Responsible Investment Overview

Introduction

Since our founding in 1981, Dimensional³ has been dedicated to translating the great ideas of financial science into investment solutions that help our clients meet their long-term goals. The assets we manage represent the savings, commitments, and resources of the clients we serve around the world. Careful stewardship of our clients' assets, in line with their objectives, is a responsibility we take extremely seriously.

Principles and Philosophy

Guiding Principles

Dimensional operates under the following guiding principles and applies them to our approach to responsible investment.

1. Act in the best interests of clients.
2. Act in a way that is ethical and legal.
3. Compete aggressively to succeed.
4. Base our investment strategies on scientific methodology.
5. Emphasize financial sustainability.
6. Create opportunities for our people to contribute both to our success and to their own.

We believe these principles have allowed us to serve our clients well, and in our view, they have been foundational to creating client satisfaction and, consequently, our success.

Investment Philosophy

Dimensional's investment philosophy is based on the belief that current market prices contain information on expected returns. We believe prices reflect market participants' expectations about a portfolio company's strategy, financial and nonfinancial performance, risk, capital structure, social and environmental impact, and corporate governance. Competitive forces and supply and demand set prices of securities to reflect the aggregate risk and return expectations of investors.

Dimensional's goal is to create research-driven investment solutions that meet the needs of our clients. To accomplish this purpose, Dimensional puts financial science to work for investors in real-world investment solutions. Our systematic approach pursues premiums identified through rigorous academic research and is implemented through broadly diversified portfolios. Our core investment philosophy guides how we seek to improve outcomes for our clients using long-term research and efficient processes. We also advocate for free and fair markets that can benefit all investors.

Responsible Investment Teams and Resources

Consistent with our team-based approach to all investment processes, we also apply a team-based approach to responsible investment. Our Head of Responsible Investment coordinates environmental, social, and governance (ESG) activities globally across these various groups. Our Head of Responsible Investment, North America, Lacey Huebel, works closely with the Head of Responsible Investment to coordinate ESG initiatives specific to the US and Canada.

RESPONSIBLE INVESTMENT



Jim Whittington
Head of Responsible Investing and Senior Portfolio Manager



Lacey Huebel
Head of Responsible Investment, North America, and Senior Portfolio Manager

INVESTMENT STEWARDSHIP



Will Collins-Dean
Chair of Investment Stewardship Committee and Senior Portfolio Manager



Kristin Drake
Head of Investment Stewardship

Key Statistics



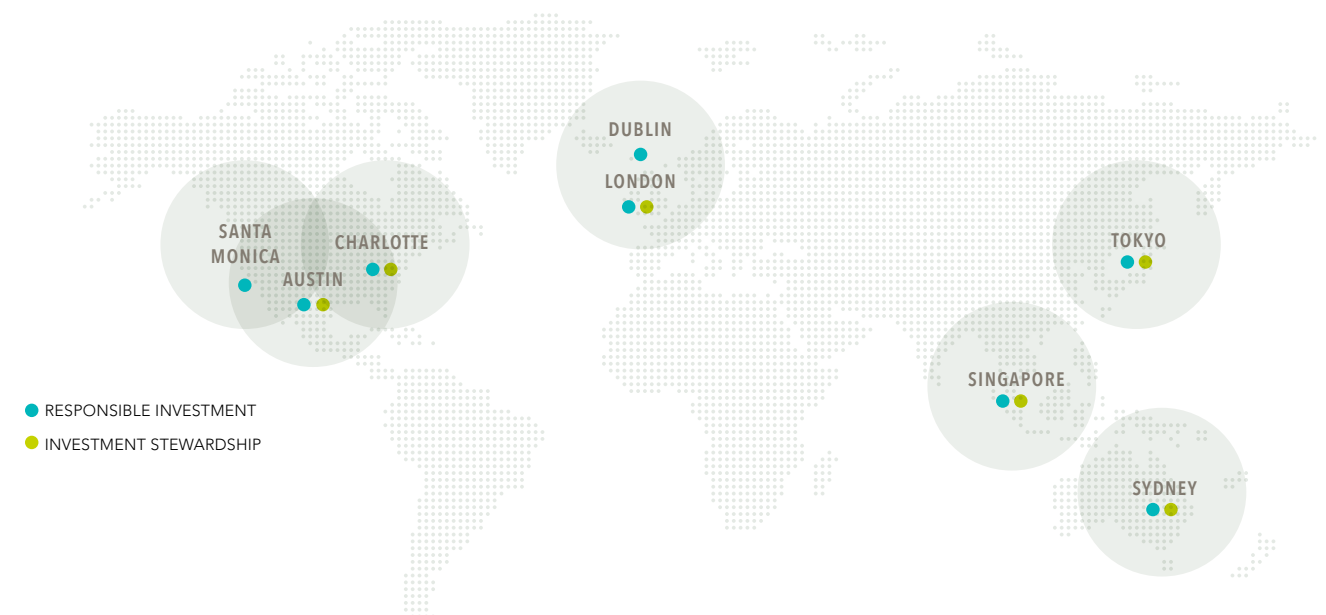
Investment professionals contribute to ESG initiatives⁴



Contributors to ESG Research, Data, Portfolio Management, and Thought Leadership



Contributors to Investment Stewardship Activities



³ "Dimensional," "our," "us," or "we" may refer to the Dimensional separate but affiliated entities generally, rather than one particular entity. These entities are Dimensional Fund Advisors LP, Dimensional Fund Advisors Ltd., DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd., Dimensional Ireland Limited, and Dimensional Japan Ltd. Dimensional may vote proxies on behalf of the funds it manages and separate account mandates where clients have given us authority to vote.

⁴ Investment professional headcount information as of December 31, 2022. Personnel may be involved across multiple categories of work.

Responsible Investment and Stewardship Teams

Dimensional's team-based ESG approach combines a dedicated Responsible Investment team and a dedicated Investment Stewardship Group with ESG specialists and contributors throughout Dimensional.

The Responsible Investment team sits within the Portfolio Management team, and the Head of Responsible Investment reports to Dimensional's Global Head of Portfolio Management. The Responsible Investment team coordinates Dimensional's ESG strategy across areas such as ESG product design, data, ESG regulatory requirements, ESG research, and ESG thought leadership. The team's efforts are supported by Dimensional's ESG Steering Committee and regional ESG working groups.

The Investment Stewardship Group manages Dimensional's global stewardship activities. The group sits within Dimensional's Portfolio Management department and consists of dedicated stewardship personnel who work closely with Portfolio Managers. The group implements policies through proxy voting and by communicating directly with boards and management of portfolio companies, monitors day-to-day operations, and conducts research on governance-related matters under the supervision of Dimensional's Investment Stewardship Committee.

The work of Dimensional's dedicated ESG functions is supported by cross-functional resources embedded across Dimensional's Research, Portfolio Management, and Investment Analytics and Data teams. As of December 31, 2022, more than 60 investment professionals contribute to ESG initiatives across our global offices.

Investment Stewardship Committee

Dimensional's stewardship efforts are overseen by the Investment Stewardship Committee, a subcommittee of Dimensional's Investment Committee. To learn more about the Investment Stewardship Committee, see the [Investment Stewardship](#) section.

ESG Steering Committee

Dimensional's ESG Steering Committee is a collaborative group composed of 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 to deliver a cohesive approach to ESG that is informed by our clients' needs.

ESG Network of Academics and Researchers

Dimensional has a long history of working closely with leading academics and researchers. Dimensional established a network of scientists, academics, and other notable contributors in ESG-related fields to consult with Dimensional on matters related to ESG research, data, and environmental science. In addition to helping inform Dimensional's approach to ESG investing and research, this group participates in educational events for clients and prospects as well as internal training for Dimensional employees.

David Victor

University of California, San Diego



- Professor of Innovation and Public Policy, School of Global Policy and Strategy at UC San Diego
- Codirector of the Deep Decarbonization Initiative, UC San Diego
- Adjunct Professor of Climate, Atmospheric Science, and Physical Oceanography, Scripps Institution of Oceanography
- Senior Fellow, Brookings Institution
- Cochair of the World Economic Forum's Global Future Council on the Future of Energy Transition

Michael Gillenwater

GHG Management Institute



- Cofounder, Executive Director, and Dean, Greenhouse Gas Management Institute
- Lead author, four Intergovernmental Panel on Climate Change (IPCC) reports
- Advisor, World Resources Institute and World Business Council on Sustainable Development, on revised edition of Greenhouse Gas Protocol

Lucian A. Bebchuk

Harvard Law School



- James Barr Ames Professor of Law, Economics, and Finance, Harvard Law School
- Founding Director, Harvard Law School Program on Corporate Governance
- Elected Fellow, American Academy of Arts and Sciences
- Research Associate, National Bureau of Economic Research
- Inaugural Fellow, European Corporate Governance Institute
- Director, SSRN Corporate Governance Network

Responsible Investment Process

Recent Responsible Investment Research Highlights Available on SSRN

▶ [Greenhouse Gas Emissions and Expected Returns \(2020\)](#)⁵

▶ [The Economics of Climate Change \(2020\)](#)⁶

▶ [The Economics of Corporate Governance \(2022\)](#)⁷

Research

A desire to use the best ideas from financial science guides Dimensional’s investment philosophy, processes, and strategies. Our responsible investment activities stay true to this effort. We seek to understand the best thinking from academic, empirical, and theoretical research and apply it to practical investment solutions for our clients.

In addition to working closely with leading academic researchers, such as those in Dimensional’s ESG Network of Academics and Researchers, Dimensional’s Research department conducts research on a range of responsible investment and ESG-related topics.

We approach environmental, social, and governance considerations with the same philosophy that guides our investment process. To do this, we conduct in-house research and work with external academics and researchers to understand the available research and data on ESG matters. 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, meaning that investors cannot generally gain an advantage over the market by considering such information. An investment approach that uses information in current market prices about expected returns is an effective way to harness the market’s ability to process complex information about ESG-related issues every day.

Because information about a portfolio company’s governance practices is reflected in the company’s market price, improved governance practices may improve valuations through higher future cash flows to shareholders or a lower discount rate applied by the market. Once invested in a portfolio company, we can seek to improve its governance practices through investment stewardship activities, such as proxy voting and engagement, with the goal of adding or protecting value for shareholders.

Risk Management

Dimensional believes that the market’s aggregate assessment of a company’s ESG risks is incorporated into security prices. Dimensional Portfolio Managers monitor markets and news feeds for changes that could indicate rapidly changing risks, including those related to ESG. Dimensional’s portfolios are broadly diversified, often holding thousands of securities across a number of different industries and countries, in the case of global strategies. This diversification helps mitigate ESG risks associated with individual securities, industries, or regions.

In addition, Dimensional believes that portfolio company boards have ultimate responsibility for overseeing ESG risks at companies. Strong boards representing shareholders’ best interests should carefully consider all categories of risks. Through its proxy voting and engagement with portfolio companies, Dimensional promotes good corporate governance practices. Dimensional also monitors standards for corporate governance at portfolio companies.

Investment Stewardship

Our Investment Stewardship team advocates for good governance practices, as we believe that if governance practices at portfolio companies are improved, this may lead to higher prices and higher realized returns. Our stewardship efforts include engagement, proxy voting, and participation in industry events and organizations. See our [Investment Stewardship Statement](#)⁸ and the [Investment Stewardship](#) section of this report for further information.

ESG-Focused Strategies

Dimensional’s ESG strategies allow investors to align their investments with their values through strategies that are based on research-driven investment principles. For over a decade, Dimensional has worked with clients who seek to align their investment portfolios with their values. Our broadly diversified, systematically designed and managed strategies can provide an effective foundation for clients who would like to avoid or emphasize certain companies for ESG reasons. We offer focused sustainability and social strategies in a range of solutions. We also work with institutional investors and financial advisors to design values-aligned investment strategies for custom account solutions.

Operational and Corporate Initiatives

Dimensional seeks to cultivate a respectful and inclusive work environment and to operate responsibly in our local communities, environment, and industry. To learn more about Dimensional’s efforts, see the [Sustainability at Dimensional](#) section of this report.

5. Wei Dai, “Greenhouse Gas Emissions and Expected Returns” (research paper, Dimensional Fund Advisors, October 19, 2020). Available at SSRN: papers.ssrn.com/sol3/papers.cfm?abstract_id=3714874.

6. Joseph Chi, Mathieu Pellerin, and Jacobo Rodriguez, “The Economics of Climate Change” (white paper, Dimensional Fund Advisors, October 20, 2020). Available at SSRN: papers.ssrn.com/sol3/papers.cfm?abstract_id=3715848.

7. Mathieu Pellerin, “The Economics of Corporate Governance” (research paper, Dimensional Fund Advisors, July 19, 2022). Available at SSRN: papers.ssrn.com/sol3/papers.cfm?abstract_id=4165764.

8. Available at dimensional.com/us-en/who-we-are/investment-stewardship.



Lucian A. Bebchuk

James Barr Ames Professor of Law,
Economics, and Finance and the Director
of the Program on Corporate Governance at
Harvard Law School

Climate Change and Investment Stewardship

There are widely shared concerns about the potential impact of climate change. “[T]he world is on fire,” warned one prominent economist, and “if we don’t reimagine capitalism, we will all be significantly poorer.” However, while there is much agreement on the importance of mitigating climate change, there is less agreement on the best tools for doing so.

At bottom, the climate change problem is one of externalities. Carbon emissions by firms impose external societal costs that firms do not internalize. This, in turn, leads firms to produce carbon emissions at levels that are excessive from a social perspective. Of course, firms now recognize that, due to climate change, their operations might bear future losses from the realization of regulatory risks and physical risks. Still, as long as carbon-emitting activities are currently not subject to regulatory penalties, firms do not have to pay the full social costs of their activities.

From an economic perspective, the best way to address such externalities is by inducing companies to internalize the social costs of their activities. This can be done by imposing carbon taxes on activities that produce emissions, as well as by subsidizing both activities that reduce emissions and investments in developing technologies for reducing future emissions.

Whereas governmental reforms are sometimes politically feasible, there are often impediments to their adoption. Seeking to find an alternative “private ordering” tool, some have been looking to institutional investor oversight as a potential substitute. And in the past decade, many institutional investors have responded by pledging to focus much of their stewardship on ESG issues in general and on climate issues in particular.

But there are good reasons to question whether institutional investor stewardship can contribute meaningfully to addressing climate change. To begin, institutional investors stressing ESG stewardship often state that their goal is not to do good for the world but to make choices that would serve long-term shareholder value. On this view, sustainability oversight is desirable only because (and when) some sustainability investments and choices would benefit shareholder value in the long term. However, firms currently benefit financially from not paying the full social cost of their emissions. There is a limit to the extent to which firms can internalize unpriced externalities without detracting from shareholder value.

Furthermore, with respect to most business decisions, institutional investors generally choose to defer to the discretion of better-informed portfolio company management rather than to second-guess them. Instead, institutional investors commonly focus on ensuring that management has good incentives to serve shareholder value and is accountable for their performance. Similarly, with respect to sustainability investments and choices, as long as managers are adequately incentivized, it is not clear why it would be beneficial to shareholder value for institutional investors to second-guess management choices.

To be sure, it could be argued that corporate leaders are sometimes not adequately incentivized due to the presence of incentives to focus on short-term profits and to underinvest in projects with long-term payoffs. If the problem is due to short-term incentives, however, the best way to address it would be by tightening the link between executive pay and long-term value and eliminating short-term pay incentives, and institutional investors should seek to ensure such arrangements. Conversely, as long as corporate leaders have incentives to focus on the short term and thus discount long-term effects, there is little basis for believing that urging corporate leaders to pay close attention to sustainability issues would in fact have much bearing on the decisions they make.

Finally, even if investment stewardship could meaningfully contribute to reducing the climate impact of those companies where institutional investors have substantial influence, the potential for such stewardship to address global climate change would still be limited. Firstly, publicly listed companies are directly responsible for only a fraction, by some estimates less than a quarter, of global greenhouse gas emissions. Furthermore, many companies are not subject to such influence. Investment stewardship by institutional investors cannot be expected to have an effect on emissions by privately owned companies, or companies with a controlling shareholder (which includes most national oil companies). Indeed, to the extent that institutional investor stewardship was to reduce carbon emissions by companies subject to institutional investor influence, “brown” assets would be expected to migrate into the hands of companies not subject to such influence.

Thus, on the whole, even those who care deeply about the problem of climate change, and I count myself among them, should not place much hope in the potential of climate stewardship by institutional investors to address this problem. Those of us concerned about climate change should instead focus on supporting governmental reforms aimed at inducing firms to internalize the externalities they produce.



Lacey Huebel, CFA

Head of Responsible Investment North America, Senior Portfolio Manager, and Vice President

Lessons from Sustainability Investing

Sustainability investing has seen significant growth over recent years. According to Morningstar, \$2 trillion is invested in more than 6,000 sustainable funds globally.⁹ However, navigating this landscape can be challenging for sustainability-minded investors. There is no single definition of sustainability, and many sustainability funds lack a focus on specific ESG considerations that investors may prioritize. Additionally, investors need to evaluate whether a sustainability fund has an investment approach that can also help them achieve their financial goals.

Dimensional has worked with ESG-focused clients for decades. Our approach to designing ESG-focused strategies combines our experience with systematic investing and data integration with our ability to translate our clients' ESG values into focused solutions. Through our experience with ESG research and data, we have developed insights that seek to help ESG investors navigate the expanding world of sustainability options.

Start Strong

Sustainability strategies must be built on sound investment principles. A solid investment approach should consider diversification, costs, risks, and expected returns. For example, investors should consider whether a specific ESG strategy is adequately diversified.

When Dimensional designs ESG strategies, we begin with the same investment principles that form the basis of all our investment strategies and strive to balance the benefits of diversification¹⁰ with focused ESG considerations.

Find Focus

Different investors have different values and goals. ESG can refer to a wide array of environmental, social, and governance considerations. For ESG investors, defining an ESG focus is critical. For example, many clients that Dimensional works with want a climate-focused sustainability approach.

When Dimensional designs sustainability strategies, we consider our ESG focus carefully. We assess the broad range of issues important to our clients, find areas of consistency, and define an approach that aligns with client values. To develop a climate-focused sustainability approach, Dimensional turned to climate science, which focused our approach on emissions data. We recognize that some investors may have different values and priorities. For some institutional investors and clients of financial advisors, and where available, separate accounts present the opportunity to further customize to their individual ESG values. When evaluating an ESG strategy, understanding its ESG focus is necessary to assess whether the strategy will align with an investor's particular ESG goals.

Delve into Data

Designing robust ESG strategies requires high-quality ESG data. There are many environmental, social, and governance issues that may matter to investors. However, if an issue cannot be measured, assessed, or reported, it may not be a suitable investment focus area. While the range of ESG data available has expanded significantly, data quality issues remain. Investors may find that some of the ESG data sets available to them, sometimes in the form of free online tools and reports, are opaque and hard to decipher. Rather than helping investors assess whether an individual ESG strategy meets their focused goals, some of these tools attempt to give one-size-fits-all scores or ratings. These scores and ratings appear simple, but investors may find it difficult to understand their methodology. For example, do the ratings rely on noisy estimates, unreliable data, or subjective choices about how these inputs are combined? Before relying on a score or rating, investors should understand how it is constructed and whether it aligns with their personal objectives.

Since Dimensional is a systematic asset manager, sourcing, evaluating, and processing ESG data is at the core of our ESG approach. We focus on sourcing ESG data sets that are relevant to our clients' ESG goals. We place significant importance on combining and scaling ESG data. Beyond informing what ESG issues we look to address in our ESG strategies, Dimensional's focus on ESG data quality and clarity drives our emphasis on ESG reporting.

Lessons Learned

While navigating sustainability investing options can seem daunting, a few simple lessons can help investors focus their decision-making. With these principles in mind, sustainability investing can offer investors the opportunity to pursue their financial goals while better aligning their investment portfolios with their values.

9. As of June 30, 2022. The global sustainable fund universe includes open-end and exchange-traded funds that, according to Morningstar's analysis of regulatory filings, claim to focus on sustainability, impact, or ESG factors. "Global Sustainable Fund Flows: Q2 2022 in Review," Morningstar, July 28, 2022.

10. Diversification does not eliminate the risk of market loss.

Industry Participation and Public Policy Advocacy

Dimensional contributes to policy discussions and industry groups to pursue structural and regulatory improvements that look to positively impact the industry and our clients. We believe that certain matters are best addressed at an industry or regulatory level, because it is important to establish level playing fields across all publicly traded companies in a market. Our participation in industry events and groups can also spark our own innovation and application of best practices.

Industry Group	Dimensional Participant
International Corporate Governance Network	Dimensional Fund Advisors LP
Council of Institutional Investors	Dimensional Fund Advisors LP
The Investment Association (UK)	Dimensional Fund Advisors Ltd.
The Harvard Law School: Program on Institutional Investors	Dimensional Fund Advisors LP
Investment Company Institute	Dimensional Fund Advisors LP
ICI Global	Dimensional
Responsible Investment Association Australasia (RIAA)	DFA Australia Limited

Industry Initiatives	Relevant Dimensional Entity
Task Force on Climate-Related Financial Disclosures (TCFD) ¹¹	Dimensional Fund Advisors LP
International Financial Reporting Standards Foundation [IFRS] (formerly Sustainability Accounting Standards Board [SASB])	Dimensional

Stewardship Codes

As part of our commitment to encouraging strong governance, Dimensional Fund Advisors LP is a signatory to the Japanese stewardship code, and in 2021 and 2022, Dimensional Fund Advisors Ltd. was a signatory to the UK Stewardship Code 2020.

Public Policy Advocacy

Dimensional advocates for practices and market structures that we believe may promote well-functioning markets. Through our engagements with regulators and industry groups, we believe we can encourage positive developments that will benefit our clients and investors. Select public policy issues considered and commented on by Dimensional from July 1, 2021, to June 30, 2022, are described below.

RECENT DIMENSIONAL RESPONSES TO REQUESTS FOR COMMENT BY REGULATORS

Topic	Date of Letter Submission	Date of Final Rule Adoption	Region/ Entity	Organization/ Regulatory Agency
ESG and Proxy Voting Considerations for Plan Fiduciaries	12/13/2021	11/22/2022	US/Dimensional Fund Advisors LP	DOL
TRACE Reporting of USD-Denominated Foreign Sovereign Debt Securities	6/6/2022	8/10/2022	US/Dimensional Fund Advisors LP	SEC/FINRA
Enhancements to TRACE Reporting of US Treasury Securities	6/22/2022	8/30/2022	US/Dimensional Fund Advisors LP	SEC/FINRA
SDR and Investment Labels	1/7/2022	—	UK/Dimensional Fund Advisors Ltd	FCA
Pay-versus-Performance	3/3/2022	8/22/2022	US/Dimensional Fund Advisors LP	SEC
Money Market Reform	4/11/2022	—	US/Dimensional Fund Advisors LP	SEC
Cybersecurity Risk	4/26/2022	—	US/Dimensional Fund Advisors LP	SEC
Climate-Related Disclosures	5/13/2022 (2nd letter) 6/11/2021 (1st letter)	—	US/Dimensional Fund Advisors LP	SEC

Case Studies

Market Transparency

Dimensional advocates strongly for market transparency. We believe that market participants are best served when there is price transparency, participants are able to trade freely, and there is reasonable regulation governing exchanges. As part of our continued commitment to supporting healthy, well-functioning markets, Dimensional engages with industry groups and regulators.

US SEC/FINRA—Enhancements to TRACE Reporting

In 2019 and 2020, the Financial Industry Regulatory Authority, Inc. (FINRA), which operates under the supervision of the US Securities and Exchange Commission (SEC), proposed two rule changes: one that would require reporting of trades in USD-denominated foreign sovereign debt securities to the Trade Reporting and Compliance Engine (TRACE), and another that would enhance the information reported to TRACE on transactions in US Treasury securities.

Dimensional strongly believes that increased public transparency of data benefits investors, and that market transparency fosters a fair and efficient market. In comment letters to the SEC on both proposed FINRA rule changes, Dimensional Fund Advisors LP supported the proposals as positive steps toward increased transparency. We also encouraged FINRA to make publicly available the data it collects on US Treasury securities and USD-denominated foreign sovereign debt securities. In December 2022, FINRA adopted the proposed amendments to both rules.

Executive Compensation

Executive compensation is a perennial topic of focus for Dimensional’s stewardship team. We believe well-designed executive compensation plans are essential for aligning the interests of management and shareholders. Over the years, we have communicated with portfolio companies, voted proxies, conducted letter campaigns, and communicated with regulators concerning executive compensation. In the interest of shareholders, we expect compensation plans to be based on rigorous and transparent metrics that display a clear link between pay and long-term performance. This expectation applies to all portfolio companies.

US SEC Pay-versus-Performance

In January 2022, the SEC reopened the comment period on a 2015 rule proposal implementing a provision from the Dodd-Frank Wall Street Reform and Consumer Protection Act that requires companies to disclose information reflecting the relationship between executive compensation actually paid by a company and the company’s financial performance. The original “pay-versus-performance” proposal would have required issuers to disclose cumulative total shareholder return (TSR) as the sole measure of the company’s financial performance. In its reopening of the comment period, the SEC proposed requiring companies to present three additional metrics—pretax net income, net income, and a metric chosen by the company—alongside TSR.

Dimensional supports executive compensation that is clearly linked to a company’s performance and is designed to align the interests of executives and shareholders. Because we believe that compensation should be based on rigorous and transparent metrics that display a clear link between pay and long-term performance, Dimensional Fund Advisors LP submitted a comment letter to the SEC supporting the proposal to require companies to disclose multiple financial performance measures. In August 2022, the SEC adopted its final pay-versus-performance rule and determined it was in the best interest of investors to require that additional financial performance metrics be disclosed alongside TSR.

ESG-Related Engagement

Over the past proxy year, Dimensional continued to address ESG-related issues by participating in industry working groups and responding to regulators’ calls for public input.

US SEC Climate-Related Disclosures Proposal

In 2021, in response to the SEC’s request for comment, Dimensional Fund Advisors LP wrote to the regulator to express our views on how it could enhance public company climate disclosures in a way that considers both the costs and benefits to investors. We rely on disclosure by public companies to inform investment decisions we make on behalf of our clients. In our letter, we expressed our belief that the current materiality standard provides a useful framework for companies to make required reporting about material risks, including those related to climate change. We also stated our belief that investors could benefit if public companies provided more consistent and reliable information about the material climate change risks that could impact their business. We urged the SEC, in determining whether to adopt new rules requiring climate risk disclosures, to carefully consider whether the benefits to shareholders will outweigh the costs to public companies of complying with any new disclosure requirements.

In March 2022, the SEC released a proposal that, if adopted, would require US publicly listed companies to disclose certain climate-related information annually, including descriptions of how the company’s board and management identify and oversee climate-related risks, the company’s scope 1 and 2 greenhouse gas (GHG) emissions and, in some cases, its scope 3 GHG emissions. Dimensional’s 2021 letter and views were cited in the proposal several times.

In May 2022, Dimensional Fund Advisors LP submitted a second comment letter to the SEC on its proposed rule explaining that the costs of complying with prescriptive climate change disclosure requirements is likely to be high and may not necessarily benefit investors—who may ultimately bear those costs. As of December 31, 2022, the SEC had not yet adopted final rules on climate-related disclosures.

[Read Dimensional Fund Advisors LP’s letters to the SEC here.](#)

[Comment Letter on TRACE Reporting of USD-Denominated Foreign Sovereign Debt Securities Proposal](#)
June 6, 2022

[Comment Letter on Enhancements to TRACE Reporting of US Treasury Securities Proposal](#)
June 22, 2022

[Read Dimensional Fund Advisors LP’s letter to the SEC here.](#)

[Comment Letter on Pay Versus Performance Proposal](#)
March 3, 2022

[Read Dimensional Fund Advisors LP’s letters to the SEC here.](#)

[Comment Letter on Climate-Related Disclosures Proposal](#)
May 13, 2022

[Comment Letter on Climate Change Disclosures](#)
June 11, 2021

[Read Dimensional Fund Advisors LP's letter to the DOL here.](#)

[Comment Letter on ESG and Proxy Voting Considerations for Plan Fiduciaries Proposal](#)
December 13, 2021

US DOL ESG and Proxy Voting for Plan Fiduciaries

In October 2021, the US Department of Labor (DOL) proposed amendments regarding the fiduciary duties of prudence and loyalty under the Employee Retirement Income Security Act of 1974 (ERISA) to clarify that fiduciaries may consider ESG factors in investment decisions and that fiduciaries should vote proxies on behalf of ERISA plans. The DOL's proposal is meant to replace two rules adopted in 2020 that would have required plan fiduciaries: (i) to have a pecuniary motive when making investment decisions and (ii) to vote or not to vote considering the economic impacts to the plan.

Dimensional Fund Advisors LP wrote to support the DOL's objective of clarifying how fiduciaries may consider ESG factors in investment decisions as long as they are viewed in the context of their fiduciary duty, but also to express our view that plan fiduciaries should not be required to explicitly evaluate ESG factors. In our view, market prices already incorporate material, public ESG information. We also supported the DOL's proposal regarding proxy voting and its clarification that fiduciaries should vote proxies, unless the fiduciary has determined that voting proxies may not be in the plan's best interest. On November 22, 2022, the DOL issued final rules on ESG and proxy voting. Consistent with our views, the final rules clarify that fiduciaries are permitted, but not required, to consider ESG factors. The final rules also clarify that fiduciaries should vote proxies, unless a determination has been made that voting proxies may not be in the plan's best interest.

UK FCA Sustainability Disclosure Requirements and Investment Labels

In November 2021, the Financial Conduct Authority (FCA) published a Discussion Paper on Sustainability Disclosure Requirements and Investment Labels, which outlined potential approaches to a labeling/classification system and disclosure regime for sustainability products. In October 2022, the FCA published a follow-up Consultation Paper further detailing its proposal for a consumer-focused labeling regime.

Dimensional supports the FCA's goal of enabling consumers to make effective choices and submitted letters in response to both the Discussion Paper and the Consultation Paper. In Dimensional's view, any product labels or sustainability-related disclosures should be designed so that investors can identify funds that align with their ESG values and effectively assess how sustainability products are pursuing nonfinancial goals.

Sustainability at Dimensional

Overview of Sustainable Operations at Dimensional

Dimensional has a long commitment to operating sustainably. Over the past year, we have furthered our sustainability commitment through strategic operational adjustments and capital improvements.

Our sustainability efforts focus on climate change by reducing and offsetting our operational emissions. We are also working to improve other environmental impacts of our business operations, such as water use and waste management. By applying strategic operational adjustments, technology enhancements, and project investments to improve our building and system efficiencies, we are working toward more sustainable practices throughout our organization.

AN EMISSIONS-FOCUSED SUSTAINABILITY APPROACH¹²

Accounting for Emissions	Reducing Emissions	Offsetting Emissions
Fully accounted for our 2019 baseline and subsequent annual emissions.	Identified meaningful, actionable steps to reduce our operational emissions and conserve natural resources.	Offset our residual carbon footprint by supporting carbon offset projects.

Recent Sustainability Operations Milestones (2021–2022)

- Implemented a third-party carbon accounting software to track and report monthly progress toward our emissions goals.
- In our global offices, implemented a range of certain operational enhancements depending on our control of the facility, such as adjusting HVAC schedules and set points, reducing lighting schedules, lowering window shades, and refining irrigation schedules and levels.
- Offset our residual carbon footprint across scope 1 and 2 emissions for 2020 and 2021.

¹² Dimensional accounts for scope 1, 2, and 3 emissions as defined by the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. Scope 3 excludes Category 15: Investments, which are emissions from holdings in investments held by and managed on behalf of our clients. Dimensional offset our 2021 scope 1 and 2 emissions in 2022.

Sustainability Operations Team

Dimensional’s sustainable operations efforts are driven by a collaborative, cross-departmental group that works to set, communicate, and achieve Dimensional’s sustainability goals.

To effectively implement our sustainability efforts, Dimensional has established a Sustainability Task Force with contributors from global offices and key departments. The Task Force is led by our Head of Real Estate and Facilities and includes members of Dimensional’s Responsible Investment, Investment Solutions, Risk Management, Finance, Global Client Group, and Marketing teams. The Task Force reviews and proposes sustainability initiatives, projects, internal communications, and emissions reporting, while Dimensional Fund Advisors LP’s (“Dimensional US”) Executive Committee maintains oversight and final approval of initiatives, progress, and capital investments. Initiatives are undertaken and implemented by Dimensional’s Sustainability Operations team, which includes contributors from our Real Estate and Facilities, Events, Technology, and Finance teams.

Dimensional works with multiple sustainability consultants that are leaders in their fields. We engage with a variety of consultants to benefit from multiple perspectives. With input from these consultants, we conducted an audit of our energy consumption and analysis of our sustainable practices across all of our offices. This allowed us to establish a baseline, adopt a road map, and set targets for the years ahead.

Accounting for Emissions

Dimensional’s carbon footprint measures operational emissions across scope 1, 2, and 3 in line with GHG Protocol for carbon accounting.¹³ Each year, we compare our emissions footprint to our 2019 baseline emissions, while considering relevant business factors such as pandemic-related travel and commuting restrictions. This allows us to assess our progress toward meeting our sustainability reduction goals and identify emissions we would like to offset.

Dimensional has continued to improve our processes for monitoring, calculating, and reporting our operational emissions. In 2022, we implemented third-party software that enables us to track our emissions in near real time using inputs like utility services, procurement data, and travel data. This allows us to make ongoing improvements to our processes and address issues as they arise.

Our scope 1 emissions include direct emissions from Dimensional’s operations, such as refrigerant and combustion of natural gas and diesel. Scope 2 emissions include indirect emissions from the generation of our purchased electricity. Dimensional’s scope 3 emissions consist of indirect emissions that occurred in other purchased goods and services, such as those related to business travel and capital goods.

A TEAM-BASED APPROACH TO SUSTAINABLE OPERATIONS



The Sustainability Task Force is a cross-functional team tasked with considering a range of improvements in sustainable operations for Dimensional.

13. Scope 3 includes 15 categories of indirect emissions. Dimensional has determined that categories 1 through 7 are relevant to Dimensional’s operations: purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste generation in operations, business travel, and employee commuting. We do not include category 15 (investments).

Reducing Emissions

We are committed to reducing our environmental impact and are pursuing meaningful steps to reduce our emissions.

Dimensional’s Sustainability Initiative

Dimensional has instituted a five-year sustainability initiative for improving our operational sustainability and reducing our global scope 1, 2, and 3 greenhouse gas emissions. We have set a goal of achieving a 20% reduction in overall emissions from global business operations by 2024, compared with our 2019 baseline (equivalent to removing 10K tCO₂e).¹⁴

The table below highlights specific absolute and intensity emissions reduction goals for our operational sustainability improvements. To achieve these goals, Dimensional has implemented a variety of emission-reduction efforts and commissioned a third-party audit of our sustainability practices and energy consumption to identify long-term operational, administrative, and capital emissions reduction activities.

Principle Goal

Eliminate 10K tCO₂e, or 20%, of our global operational scope 1, 2, and 3 absolute emissions from base year 2019 by 2024.

Projected Reductions by 2024

ACTIVITY AND INTENSITY REDUCTION TARGETS

Energy	Reduce absolute emissions from purchased electricity by 19% and electricity consumption per square foot by 24%.
Water	Reduce total water consumption per square foot by 24%.
Waste	Increase waste diversion from landfill to 50%, and reduce waste per full-time employee by 24%.
Capital Goods	Reduce absolute emissions from capital goods spending by 19%, and annual procurement of capital goods per full-time employee by 24%.

Emissions Reduction Activities

Dimensional considers emissions reduction strategies across our global offices. In locations where we do not own and manage the office property, Dimensional seeks to work with property owners to plan and help execute certain emissions reduction activities.

Operational Efficiency

Dimensional has taken a number of strategic steps to reduce our carbon footprint while ensuring comfortable, productive work spaces for all employees. To reduce our energy consumption, we adjusted temperature and lighting settings across all our offices. Additionally, in our Austin and Charlotte offices, Dimensional set controls on our heating, ventilation, and air-conditioning systems, and adjusted our irrigation schedules and levels.

Capital Improvements

Dimensional evaluates carbon emissions when making capital improvements, such as improving the sustainability of our landscaping and transitioning to LED lighting. Dimensional’s planned capital measures include, at our Austin office, adding electric vehicle (EV) charging stations and installing leak detection systems for refrigerants, a potent source of greenhouse gases, and relocating our data center, which may reduce its energy consumption.

Policy Initiatives

Dimensional is evaluating operational policy and administrative strategies, such as renewable energy sourcing and partnerships, that will further enhance our sustainability efforts. Where available, we have added a carbon calculation for employees considering flight options. We also continue to run a global employee hybrid workweek program, which may help reduce emissions from transportation. In our Austin and Charlotte offices in 2022, we also began a composting program to divert waste from landfills.

¹⁴ Carbon dioxide equivalents, or CO₂e, is a unit used to compare emissions of various gases by converting each gas to an equivalent amount of CO₂ based on its global warming potential.

Offsetting Emissions

Dimensional offset its residual carbon footprint from 2021 across scope 1 and 2 emissions by supporting carbon offset projects. We partnered with an independent carbon offset consultant to conduct extensive due diligence on potential offset projects from multiple providers. This analysis involved completing a thorough quality review and risk assessment on each project across several metrics, including additionality, permanence, overestimation, double counting, leakage, monitoring, and social or environmental harms. Based on the findings, Dimensional then selected three projects to pursue based on biodiversity impact and ecological value, diversifying by carbon offset type and geography.

Our 2021 offset projects focus on industrial process emissions, energy efficiency, and reforestation.

Proyecto Mirador HONDURAS



Proyecto Mirador empowers local families across rural Honduras to build improved cookstoves that use half the amount of wood as traditional stoves, thereby reducing CO₂ emissions by half. The cookstoves also provide health benefits to families through cleaner air and reducing carbon monoxide and particulate matter in the home by 79%. Since its launch in 2018, the project has constructed more than 240,000 stoves and avoided emissions of 2 million metric tonnes of CO₂e.¹⁵

Foam Blowing Agent Project US



This industrial project in the US works to transition the use of chemicals in the manufacture of extruded polystyrene (XPS) board stock (used to insulate buildings) from agents with high global warming potential to those with low global warming potential. Most blowing agents used in production contain chemicals that release greenhouse gases during manufacture, use, and end-of-life destruction. By replacing these chemicals with more expensive but lower emissions alternatives, the project reduces emissions that otherwise would have been produced.

International Small Group and Tree Planting Initiative KENYA



The International Small Group and Tree Planting (TIST) initiative has planted trees in tens of thousands of groves and land parcels in Kenya. The trees contribute to soil erosion reduction, stabilization, and enrichment. The trees also provide income opportunities and additional benefits to the local community, including providing edible fruits and nuts, wind protection, firewood, and timber. TIST's tree planting efforts have sequestered more than 9 million metric tonnes of CO₂¹⁶ while also creating sustainable local environments and a potential, long-term income stream for farmers.

Investment Stewardship

Approach to Investment Stewardship

Dimensional advocates for stronger governance practices at the companies in which we invest on behalf of our clients because we believe it can improve returns for investors.

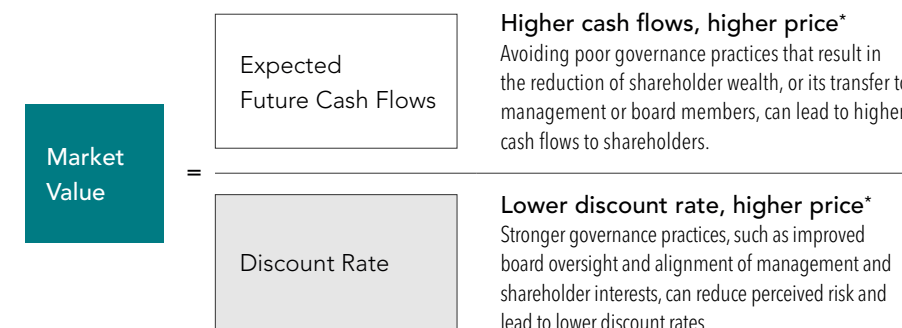
Dimensional manages global equity and fixed income market strategies for clients around the world. We aim in all areas to be responsible stewards of our clients' assets, and one way we look to do so is through our stewardship activities. Stewardship activities include engaging with boards and management at portfolio companies, voting on behalf of our clients at shareholder meetings, and advocating for policies that we believe protect and enhance shareholder value.

Our Stewardship Philosophy

At Dimensional, we believe that security prices reflect the aggregate expectations of market participants, which may include information about the company's governance practices. Improvements in corporate governance may be rewarded with higher market prices, if they enhance expected future cash flows or reduce perceived risks, as shown below.

Stewardship activities that promote better governance practices may improve returns to shareholders. When there is evidence of poor governance practices at a portfolio company, Dimensional generally believes our clients are better served through stewardship activities to promote improvements in corporate governance rather than divesting.

STRONGER GOVERNANCE PRACTICES CAN IMPROVE RETURNS



*All else equal. Not guaranteed.

15. Proyecto Mirador, Building a Dos por Tres, is only the first step in our comprehensive stove program. Retrieved from proyectomirador.org/data/building-dos-por-tres-only-first-step-our-comprehensive-stove-program.

Proyecto Mirador, Latin American Carbon Offsets issued by the Gold Standard. Retrieved from proyectomirador.org/highest-quality/latin-american-carbon-offsets-issued-gold-standard.

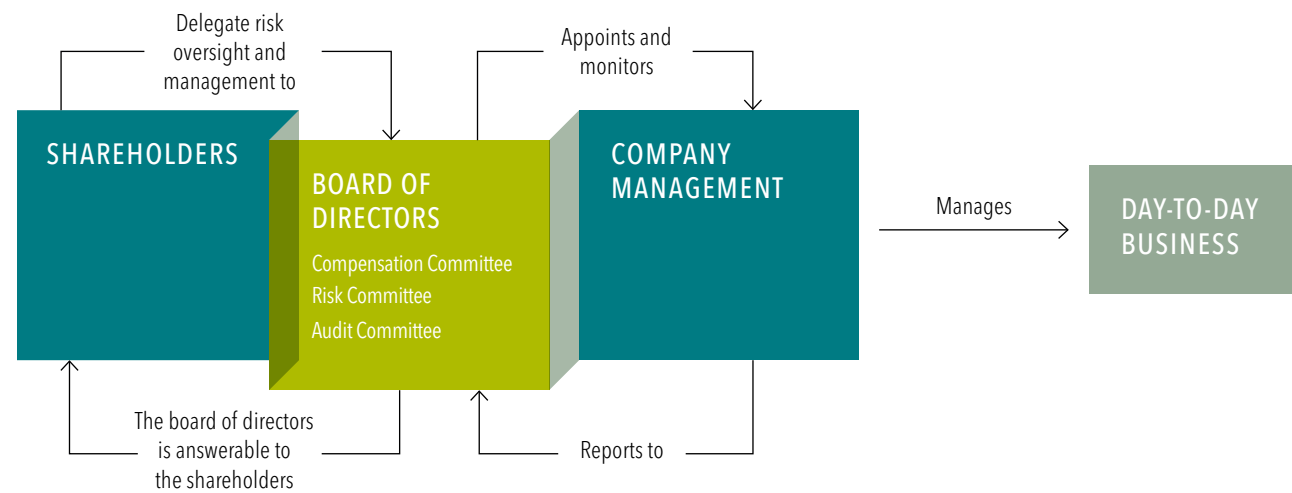
16. TIST Program, TIST Values Transparency. Retrieved from program.tist.org/farmers.

A Focus on Good Governance

Dimensional believes that stewardship efforts should focus on policies, practices, and people that seek to improve governance at portfolio companies. As illustrated in the graphic below, shareholders delegate leadership and oversight of company management to the board of directors, which is accountable to shareholders. Company management implements day-to-day business matters and is accountable to the board. We believe the goal of good governance is to align boards and management incentives with shareholder interests.

Without strong, foundational governance practices and effective boards, companies may be poorly equipped to address matters of concern to shareholders, including a broad range ESG issues.

LEADERSHIP BEGINS WITH BOARDS OF DIRECTORS



Dimensional's stewardship activities focus on these foundational issues of good governance.

STEWARDSHIP PRIORITIES

<p>Board Structure and Composition</p> <p>Companies should elect strong, qualified boards with appropriate skill sets to oversee management and risks.</p>	<p>Material Environmental and Social Risks</p> <p>Company boards should exercise oversight of material risks and disclose these risks and their oversight.</p>	<p>Shareholder Rights</p> <p>Companies should maintain mechanisms for shareholders to raise concerns and hold boards and management accountable.</p>	<p>Executive Compensation</p> <p>Compensation plans should be based on rigorous and transparent metrics that clearly link pay and long-term performance.</p>
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Implementation Process

Investment stewardship at Dimensional is a global effort supported by multiple teams. Dimensional's stewardship efforts are overseen by the Investment Stewardship Committee of Dimensional Fund Advisors LP. This group of senior employees and directors, illustrated in the graphic below, includes members of Dimensional's Portfolio Management, Executive, and Compliance teams, as well as the Head of Responsible Investment and members of Dimensional's Board of Directors.¹⁷ The Investment Stewardship Committee, a subcommittee of the Investment Committee of Dimensional Fund Advisors LP, is responsible for developing our policies and approach to investment stewardship, which are then executed by the Investment Stewardship Group in coordination with other groups.

INVESTMENT STEWARDSHIP COMMITTEE OF DIMENSIONAL FUND ADVISORS LP¹⁸

William Collins-Dean	Chair of Investment Stewardship Committee, Senior Portfolio Manager
Eugene Fama	Consultant and Dimensional Director ¹⁷
Kenneth French	Consultant and Dimensional Director ¹⁷
David Booth	Chairman
Dave Butler ¹⁹	Co-Chief Executive Officer and Dimensional Director ¹⁷
Gerard O'Reilly	Co-Chief Executive Officer, Chief Investment Officer, and Dimensional Director ¹⁷
Kristin Drake	Head of Investment Stewardship Group
Joel Schneider	Deputy Head of Portfolio Management, North America
Jim Whittington	Head of Responsible Investment, Senior Portfolio Manager
Selwyn Notelovitz	Global Chief Compliance Officer
Valerie Brown ¹⁹	Deputy General Counsel

17. Board of Directors of the general partner of Dimensional Fund Advisors LP.

18. Individual names and titles as of January 1, 2023.

19. Ex officio.

Global stewardship activities are supported by a global staff of over 25 in seven offices and cover thousands of portfolio companies across 40 countries.

GLOBAL STEWARDSHIP IMPLEMENTATION²⁰

The Investment Committee

Responsible for setting Dimensional's proxy voting policy and guidelines for voting and overseeing each Dimensional entity's proxy voting process.

Responsible for overseeing the incorporation of environmental, social, and governance consideration into certain portfolios' design and construction.

The Investment Stewardship Committee

Responsible for recommending changes to Dimensional's proxy voting policy, considering complex proxy voting cases, and overseeing the Investment Stewardship Group.

Dedicated Investment Stewardship and Responsible Investment Staff

The Investment Stewardship Group implements stewardship efforts by conducting engagements, instructing proxy votes, and making recommendations to the Committee on potential enhancements to the firm's stewardship policies, procedures, and operations.

The Responsible Investment team is responsible for coordinating Dimensional's firmwide ESG strategy across areas such as sustainability product design, data, ESG regulatory requirements, ESG research, and ESG thought leadership.

Stewardship-Focused Portfolio Management Professionals

Provide the Investment Stewardship Group with insight into region-specific investment and client considerations that may impact our stewardship activities, as well as undertake engagements with portfolio companies around the globe.

Dimensional's proxy voting policy is principles based, setting out our views on certain governance practices and providing the framework by which Dimensional analyzes key proposal types.

Dimensional votes proxies on behalf of our clients at the companies in which our equity strategies invest. These votes can be on routine business matters raised by management, such as executive compensation plans, or issues raised by other shareholders, such as environmental shareholder proposals.

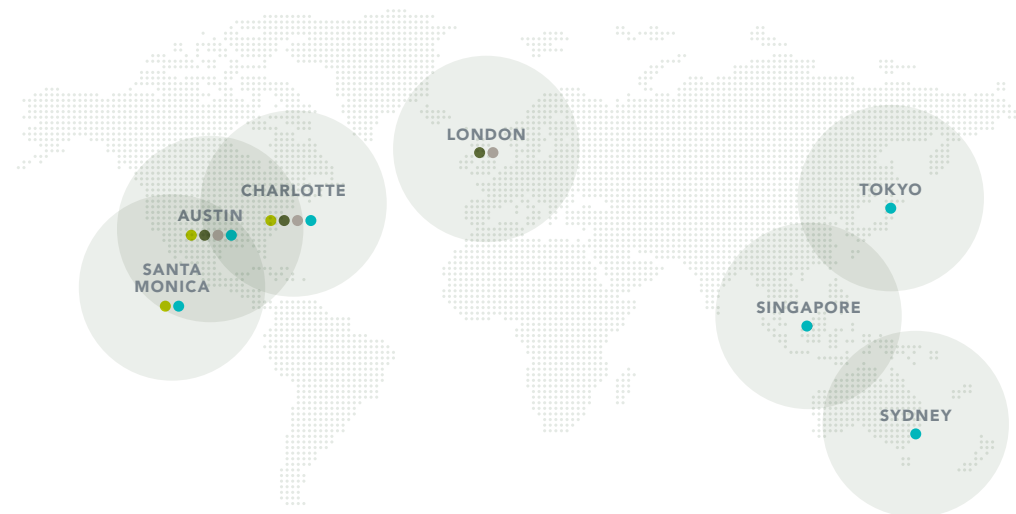
In addition to voting activities, the Investment Stewardship Group may engage²¹ with portfolio companies directly to understand their perspective on a particular topic or provide our point of view. Engagement can take the form of meetings and calls with board directors and company executives or written letters. Each year, Dimensional identifies focused stewardship topics and may conduct letter campaigns to engage with a broader set of portfolio companies and pinpoint opportunities for additional engagement on these key issues.

The Investment Stewardship Group may consider news and other developments that might affect portfolio companies. To keep track of upcoming general meetings and execute votes on behalf of clients, Dimensional retains certain third-party proxy service providers, though we remain responsible for proxy voting decisions. This team may conduct its own independent research, gather additional data, and engage with a company's board or its management, if needed, before coming to a decision.

Outcomes for Shareholders

The goal of our approach to stewardship is to effectively use engagement and voting to protect and enhance shareholder value. Stewardship is an important element of our investment process and commitment to our clients, and the following sections summarize notable activities and examples of stewardship work conducted by Dimensional's team during the 2022 proxy year.

- THE INVESTMENT COMMITTEE
- THE INVESTMENT STEWARDSHIP COMMITTEE
- DEDICATED INVESTMENT STEWARDSHIP AND RESPONSIBLE INVESTMENT STAFF
- STEWARDSHIP-FOCUSED PORTFOLIO MANAGEMENT PROFESSIONALS



21. Dimensional from time to time discusses governance matters with portfolio companies to represent client interests; however, regardless of such conversations, 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.

2022 Investment Stewardship Activities

2022 Proxy Year: July 1, 2021–June 30, 2022

The goal of Dimensional’s investment stewardship efforts is to improve governance practices at portfolio companies in a way that we believe may protect and enhance shareholder value. The following statistics provide a broad overview of Dimensional’s engagement and proxy voting activities during the 2022 proxy year.

Global Engagement



Global Proxy Voting



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

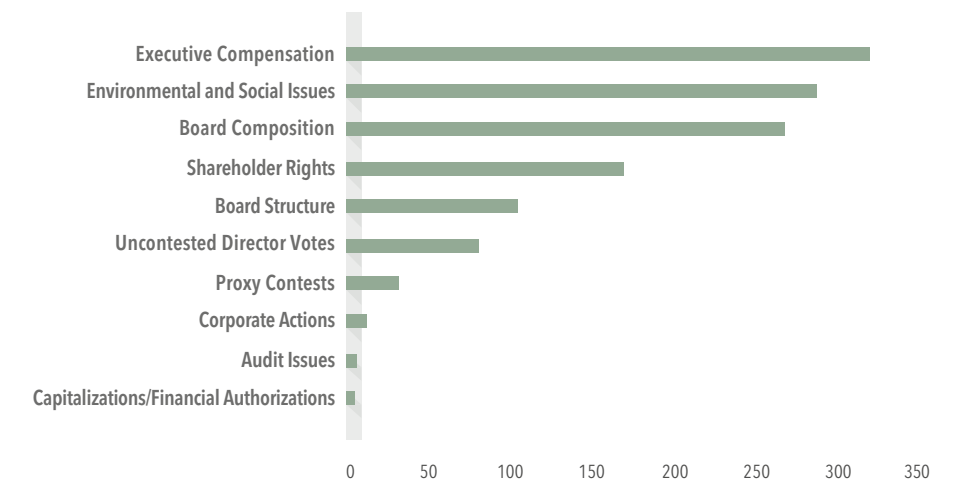
Dimensional from time to time discusses governance matters with portfolio companies to represent client interests; however, regardless of such conversations, Dimensional, on behalf of its clients, acquires securities solely for the purpose of investment and not with the purpose or intended effect of changing or influencing the control of any portfolio company. Dimensional engages with shareholders and other dissidents as part of its due diligence on specific shareholder proposals.

Company Engagements

Dimensional engages with portfolio companies to better understand their governance practices and advocate for strong corporate governance.

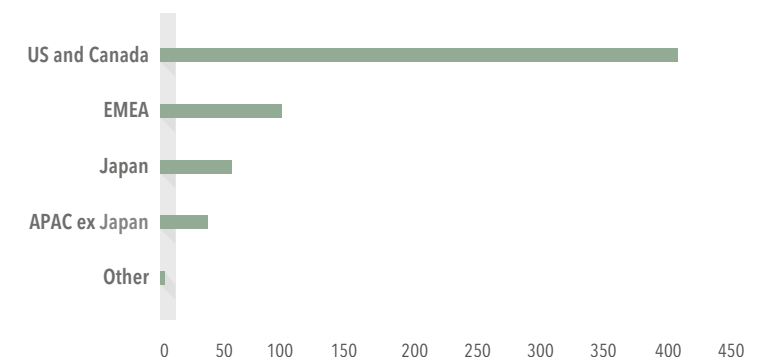
In proxy year 2022, over half of engagements included discussion of executive compensation.

ENGAGEMENTS²³ BY TOPIC



Engagements outside of North America represented over 30% of total engagements in 2022.

ENGAGEMENTS BY REGION



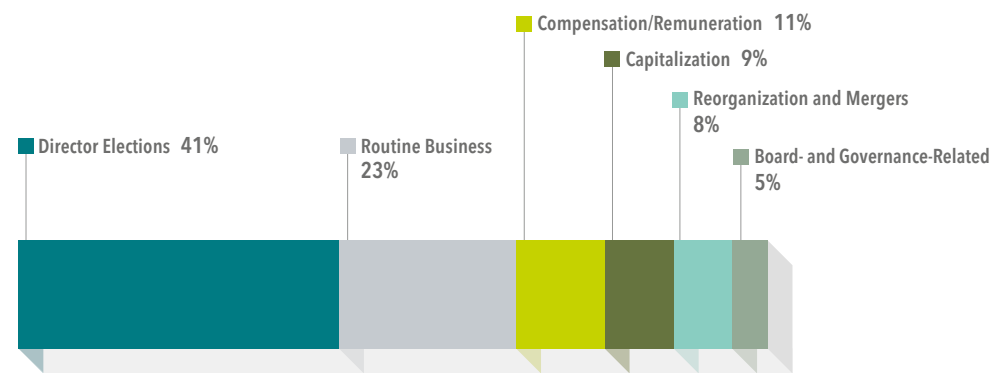
23. Engagements may cover multiple topics. Total number of topical discussions will exceed total number of portfolio company discussions due to many discussions covering multiple stewardship topics.

Proxy Voting

Dimensional votes proxies at shareholder meetings globally to look to hold boards and management of portfolio companies accountable to shareholders and promote governance best practices.

Management proposals represented 98% of the proposals voted. Shareholder proposals represented 2% of votes.

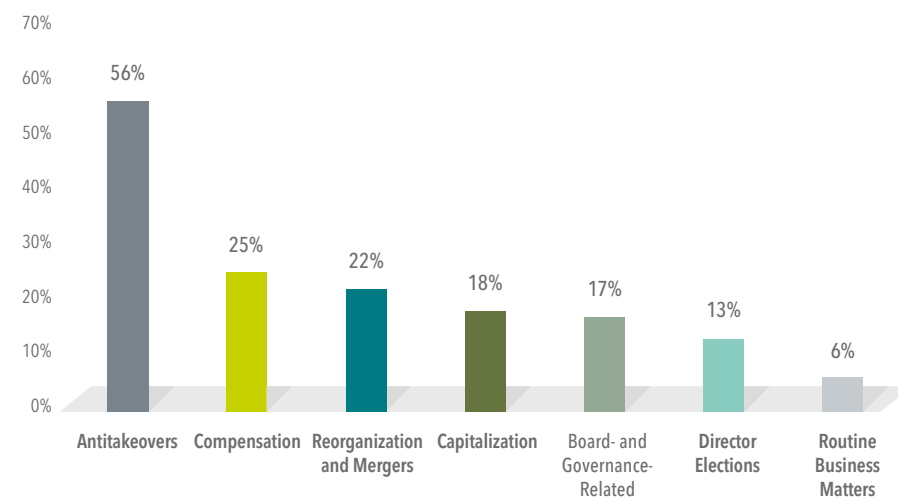
PROPOSALS VOTED BY TOPIC



Our positions on antitakeover devices and executive compensation have led to a high relative percentage of votes against management on these issues.

VOTES AGAINST MANAGEMENT BY TOPIC

Dimensional votes proxies in accordance with internal guidelines, which are designed to encourage portfolio companies to maintain governance policies consistent with maximizing shareholder value.



The "Director Elections" category includes the election of statutory auditors in Japan. "Board- and Governance-Related" includes proposals related to director compensation, board size and structure, voting standards, and shareholder access. "Routine Business Matters" includes a range of procedural matters, as well as proposals calling for the adjournment of meetings, votes on the frequency of "Say on Pay," and the election of auditors.

Advocating for Shareholder Value at Spirit Airlines

USA, Airlines

Goal Maximizing returns for investors when voting on corporate actions.

Background Spirit Airlines received a cash-and-stock merger offer from Frontier Group in February 2022. Subsequently, in April, Spirit Airlines received a competing, higher, all-cash offer from JetBlue Airways. Spirit Airlines rejected JetBlue's higher offer in favor of Frontier's lower offer in May 2022, and shares of Spirit Airlines fell over 9% soon after the announcement.

Engagement Dimensional's clients, in the aggregate, are the seventh-largest outside shareholder in Spirit Airlines, and Dimensional engaged with the company in May 2022 regarding the company's decision to proceed with the merger offer from Frontier, even though this offer was substantially lower than the offer from JetBlue. Dimensional subsequently engaged with management at JetBlue in June 2022 to gain a better understanding of the company's offer and perspective on the potential transaction. After consideration and further analysis, Dimensional concluded that the merger between Spirit Airlines and Frontier was not in the best interest of Spirit shareholders at the current price. The Spirit management team was informed that Dimensional expected any merger to be in the best interest of shareholders.

Outcome Spirit Airlines scheduled a special shareholder meeting in June 2022 to vote to approve the proposed merger agreement with Frontier. Dimensional's primary consideration in evaluating mergers and acquisitions is maximizing shareholder value and may vote against deals where we believe a competing offer is more favorable to shareholders. In light of these concerns, Dimensional voted against the transaction. Due to a broad lack of shareholder support, Spirit Airlines ultimately decided to walk away from the Frontier transaction before the shareholder vote was complete. Spirit Airlines later accepted the JetBlue offer. Spirit Airlines stock displayed a positive price reaction to the news, later increasing approximately 8%. The transaction was approved by Spirit shareholders in October 2022, with the transaction expected to close in early 2024.

Board Independence and Risk Oversight Concerns at Guess

USA, Apparel Retail

Goal	Evaluate the board's response to a significant controversy and determine appropriate voting action.
Background	A director and founder at Guess has been the subject of numerous complaints of sexual harassment, which resulted in company investigations into his conduct in 2018. The Guess Board, which was chaired at the time by another company founder, who is also the brother of the director subject to these complaints, did not seek to remove the director from the board. Guess has subsequently settled five lawsuits related to the director's conduct, and an insurance carrier that underwrites the company sued in January 2022 to absolve themselves of potential liability. Guess faced a "vote no" campaign by an activist group at the company's 2022 shareholder meeting, urging shareholders to vote against the two relevant directors at the upcoming shareholder meeting.
Engagement	In 2018, Dimensional engaged with Guess regarding allegations of sexual harassment against its director. In the years following, the company faced additional harassment allegations and lawsuits. Guess also has several poor governance practices, including a plurality voting standard and no shareholder right to proxy access, to act by written consent, or to call a special meeting. Ahead of Guess's April 2022 shareholder meeting, Dimensional engaged with the company again on these issues. Our evaluation indicated that the company could not comment on whether or not the board would remove the directors should they receive a majority vote against their reelection. Dimensional sought and obtained the approval of the Investment Stewardship Committee to recall its clients' shares on loan and to consider the revenue-producing value of the loan against the value of casting votes.
Outcome	Dimensional voted against the two brothers serving as directors at the April 2022 shareholder meeting. Ultimately, both directors were reelected; however, the majority of noninsider shareholders voted against the directors. Dimensional may take further voting action if the directors remain on the board, including voting against members of the Nominating Committee, or other relevant directors, and voting against the Guess directors at the boards of other companies where they serve.

Shareholder Rights Concerns at Carvana

USA, Internet Retail

Goal	Communicate concerns with the company's recent stock offering.
Background	In March 2020, US-based used car retailer Carvana announced an additional share offering of common stock to certain existing investors, representing about 26% of preoffering shares outstanding and priced 8% below the current market price. The offering was authorized by the company's board and handled internally, with a large portion of the additional shares allocated to company insiders. By issuing new stock at a discount to the then-market price, existing shareholders who did not receive an allocation may have been harmed through the price-based dilution of their holdings. In May 2020, in relation to the share offering, a stockholder derivative lawsuit was brought against Carvana directors and founders, alleging breach of fiduciary duty, insider trading, corporate waste, and unjust enrichment.
Engagement	Dimensional was concerned with the dilution of existing shareholders' economic and voting interests and engaged with Carvana in 2021 regarding the stock offering. During our engagement, we emphasized that Dimensional views pro rata allocation, or allowing all shareholders to participate on equal terms, as best practice and expects all shareholders to be offered the opportunity to participate in future offerings. Dimensional noted no public disclosure indicating Carvana had changed or planned to change its approach to share offerings following our engagement.
Outcome	Dimensional subsequently sent a letter to Carvana's board that stated that we believe the discounted share offering demonstrated poor oversight and a lack of accountability to shareholders and that we may vote against Carvana's directors when up for reelection at future meetings. At the company's 2022 annual meeting, Dimensional withheld votes from the two incumbent board members up for election, given our concerns related to a number of poor governance practices at Carvana, in addition to the share issuance. These practices included the board adopting a classified board structure and poison pill without shareholder approval, and the board failing to remove a supermajority vote requirement to amend Carvana's bylaws. The two incumbent directors were ultimately reelected. Dimensional continues to monitor the company's governance practices and will consider future withhold or against votes on incumbent directors both at Carvana and at outside boards.

Human Rights-Related Risks at Top Glove

Malaysia, Consumer Goods

Goal	Advocate for improved risk oversight of human rights risks in the supply chain.
Background	In July 2020, US Customs and Border Protection (CBP) placed import restrictions on products made by leading medical glove manufacturer Top Glove, citing evidence of forced labor practices at the company, including abusive working and living conditions, debt bondage, and confiscation of identity documents. While Top Glove announced it had resolved all forced labor indicators in April 2021, US CBP seized 4.68 million latex gloves produced by the company at the Port of Kansas City in May 2021. During this period, Top Glove's stock price fell approximately 40%.
Engagement	Dimensional engaged with Top Glove in July 2021 after Dimensional's ESG news check process flagged the noted allegations of forced labor at the portfolio company. In our engagement, Dimensional sought to understand how the company oversees and manages human rights risks in its supply chain and what was being done to prevent such issues recurring.
Outcome	In September 2021, the company publicly disclosed information about its efforts to improve worker health and safety and announced that the CBP import restrictions would be lifted. Top Glove stock displayed a positive price reaction to the news, increasing approximately 10%. Dimensional's team continues to monitor the situation.

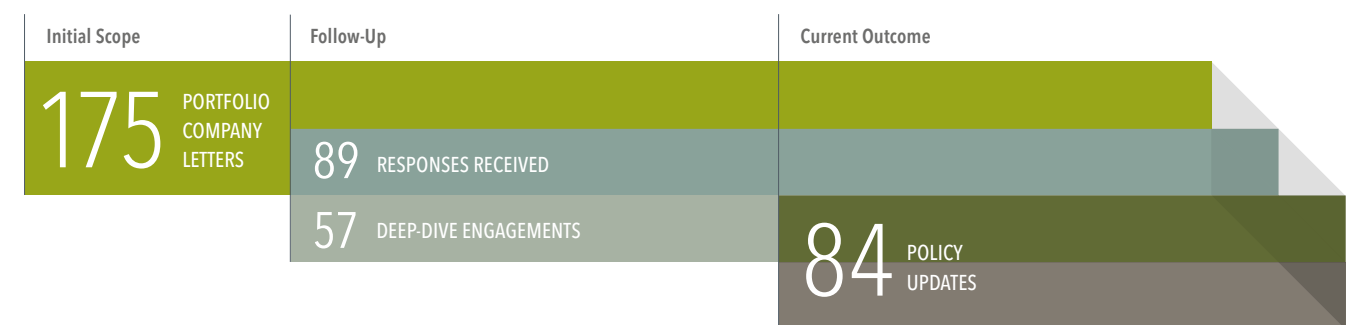
Climate Change Risk Disclosure Letter Campaign

Background

Over the past proxy year, Dimensional has continued to engage with portfolio companies following our climate risk letter campaign that began in 2020. Over the course of the campaign, Dimensional identified and sent letters to 175 companies that, in our view, were not disclosing adequate oversight policies and procedures related to climate change risk and were operating in industries where SASB Standards identified climate change risk as material.

Updates

As of June 30, 2022, we observed that 84 of the companies we targeted had updated their climate risk disclosures. We continue to monitor and assess the disclosure of portfolio companies that have not been responsive.



Company Example: Rallye

As part of Dimensional's letter campaign, we sent a letter to Rallye, a holding company for 40% of the issued shares of French food retail company Casino, because it did not disclose board oversight of material climate change risk. After further monitoring Rallye and observing no improvement in its disclosure, Dimensional requested to engage with Rallye prior to its May 2022 shareholder meeting. Rallye responded to Dimensional by email but did not agree to engage. Given Rallye's nonresponsiveness to our engagement efforts, Dimensional voted against the chair of the Rallye board at the company's May shareholder meeting. The chair of the Rallye board was ultimately reelected.

Board Assessment and Refreshment Letter Campaign

Background

As part of a letter campaign that began in 2020, Dimensional sent letters to 259 portfolio companies²⁴ regarding their board refreshment processes, specifically companies whose practices were not clearly disclosed and companies that, in our view, had comparatively weak practices compared to those of peers. The letters encouraged portfolio companies to improve disclosure and mechanisms related to board assessment and refreshment.

Key Statistics (JULY 1, 2019–JUNE 30, 2022)

109

Engagements Related to
Assessment and Refreshment

95

Disclosure Improvements²⁵

34

Directors Voted Against
When Board Assessment
Was a Concern

Updates

Over the past proxy year, Dimensional has conducted 84 assessment and refreshment-related engagements with portfolio companies that received letters as part of our campaign. We have observed 95 companies with improved board assessment and refreshment-related disclosure that satisfied the expectations outlined in our letter since the start of the campaign. Dimensional may vote against directors up for reelection in cases where portfolio companies have been nonresponsive to our efforts to engage and continue to have what we consider to be inadequate board refreshment and assessment practices. To date, Dimensional has voted against 34 directors at 16 portfolio companies.

Company Example: Fagron NV

Fagron NV, a Belgium-based drug manufacturing company, was a recipient of Dimensional’s letter in March 2020 due to its lack of disclosure of a board assessment process. Dimensional did not receive a response to our letter initially, and our follow-up requests for engagement were rejected. In 2022, Dimensional engaged with Fagron to express our concerns with the continued lack of disclosure of the company’s board assessment process. The company did not provide an explanation as to why there had not been improvement in disclosure or outline any plans to improve disclosure. Given the company’s reluctance to engage and poor responsiveness to shareholder concerns, Dimensional voted against the Chair of the Nominating Committee at the company’s May 2022 shareholder meeting. The Chair of the Nominating Committee was ultimately reelected.

24. Companies that received letters but have since delisted, merged, or are no longer in the relevant indices are not included.

25. Observed instances of increased disclosure and/or improvement of board assessment and refreshment mechanisms that satisfy the expectations outlined in our letter at companies that received letters. These outcomes are not necessarily a result of Dimensional’s letters or actions. Dimensional did not engage with all portfolio companies cited for improvement.

Viewpoint: Poison Pills

Market volatility can lead to an uptick in hostile takeover bids. Fearing falling public valuations, companies may adopt shareholder-rights plans, so-called poison pills, to force would-be acquirers to negotiate directly with the company’s board, rather than leaving open the option for the acquirer to purchase shares directly from shareholders through a tender offer. Typically, poison pills allow shareholders other than the would-be acquirer the right to buy discounted shares. Shares sold at a discount effectively dilute the position of the potential acquirer and make a hostile takeover more expensive.



Natalie Brisbane
Associate Investment
Strategist

Dimensional strongly opposes poison pills and other antitakeover mechanisms. We particularly oppose measures that have not been submitted to shareholders for approval. We believe that the market for corporate control, which can result in acquisitions above current valuations, can benefit shareholders. Takeover defenses, such as poison pills, can lead to entrenchment and reduced accountability at the board level—neither of which benefits independent shareholders. A comprehensive survey of academic literature by Dimensional finds antitakeover provisions like poison pills generally reduce shareholder value.²⁶

Subject to its policies and procedures, Dimensional will generally vote against the adoption of poison pills. Further, we frequently vote against the directors who support poison pills. We maintain a list of directors who serve on boards of companies that adopt pills without shareholder approval. Dimensional often votes against these directors if they are up for election, including at other portfolio companies where they serve as directors, when we believe doing so is in the best interest of shareholders.

Dimensional’s stewardship activities have long focused on opposing poison pills and advocating for the protection of shareholder rights. In proxy year 2015, for example, Dimensional conducted a letter campaign on poison pills that reached over 200 portfolio companies.²⁷ Today, our stewardship activities continue to focus on poison pills and other shareholder-rights issues. In proxy year 2022, Dimensional conducted more than two dozen engagements related to shareholder-rights and poison-pill topics.²⁸ Further, we voted against 69 poison-pill proposals and over 400 directors globally for concerns related to the adoption of poison pills (see Exhibit 1).

Dimensional believes boards that represent shareholder interests are the foundation of good governance. Our strong stance against poison pills and the directors who enact them is driven by our view that poison pills can decrease shareholder value.

EXHIBIT 1: PROXY YEAR 2022 STEWARDSHIP HIGHLIGHTS

26

Engagements Related to
Shareholder-Rights and
Poison-Pill Topics

69

Poison Pills
Voted Against

478

Directors Voted Against
Based on Concerns Related
to the Adoption of Poison Pills²⁹

26. Mathieu Pellerin, “The Economics of Corporate Governance” (research paper, Dimensional Fund Advisors, July 19, 2022). Available at [SSRN](#).

27. Proxy year 2015: July 1, 2014–June 30, 2015.

28. Dimensional may discuss governance matters with portfolio companies to represent its clients’ interests, though Dimensional does not, on behalf of its clients, acquire securities with the purpose or intended effect of changing or influencing the control of a portfolio company.

29. Includes those up for election at other companies where they serve as directors.

Appendix: Portfolio Companies Engaged in 2022

Dimensional conducted at least one engagement with each of the following global portfolio companies during proxy year 2022.

Company Name

AAR Corp.	American Axle & Manufacturing Holdings Inc.	Atsugi Co Ltd.
Aareal Bank AG	American Eagle Outfitters Inc.	AutoZone Inc.
Abbott Laboratories	American Software Inc.	Avid Technology Inc.
ACI Worldwide Inc.	American Vanguard Corp.	Aviva PLC
Activision Blizzard Inc.	Ameriprise Financial Inc.	Badger Meter Inc.
Acuity Brands Inc.	AmerisourceBergen Corp.	Baloise Holding AG
Adams Resources & Energy Inc.	AMMB Holdings Berhad	Banc of California Inc.
Aerojet Rocketdyne Holdings Inc.	Anywhere Real Estate Inc.	Bank of America Corp.
African Rainbow Minerals Ltd.	APA Corporation	Bank of Hawaii Corp.
AGL Energy Ltd.	Apple Inc.	Bapcor Ltd.
Ahresty Corp.	Aramark	Bar Harbor Bankshares
Aimia Inc.	Arcadis NV	Barco NV
Air Lease Corp.	ArcBest Corp.	Barnes Group Inc.
Albemarle Corp.	Arconic Corp.	BE Semiconductor Industries NV
Alexandria Real Estate Equities Inc.	Artisan Partners Asset Management Inc.	BHP Group PLC
Allegheny Technologies Inc.	Asahi Kasei Corp.	Bilfinger SE
Allegiant Travel Co.	ASR Nederland NV	Bio-Techne Corp.
Alps Alpine Co Ltd.	Assured Guaranty Ltd.	Blucora Inc.
Altria Group Inc.	Astral Foods Ltd.	Box Inc.
Altus Group Ltd.	AT&T Inc.	BP PLC
Amazon.com Inc.	Atlas Air Worldwide Holdings Inc.	Brickworks Ltd.
Ambac Financial Group Inc.	Atos SE	Brightsphere Investment Group Inc.
AMC Networks Inc.		Britvic PLC

Builders FirstSource Inc.	Chefs' Warehouse Inc.	Crescent Point Energy Corp.
Bunge Limited	Chemring Group PLC	Crown Resorts Ltd.
Bunka Shutter Co Ltd.	Chevron Corp.	CSE Global Ltd.
Cable One Inc.	Chico's FAS Inc.	Customers Bancorp Inc.
Cadence Bank	Children's Place Inc.	D.R. Horton Inc.
Caesars Entertainment Inc.	Chimerix Inc.	Daishi Hokuetsu Financial Group Inc.
Cal-Maine Foods Inc.	China Petroleum & Chemical Corp.	Daktronics Inc.
Calix Inc.	Chipotle Mexican Grill Inc.	Delcath Systems Inc.
Camden National Corp.	Chubb Ltd.	Deluxe Corp.
Career Design Center Co Ltd.	Chugoku Bank Ltd.	Denki Kogyo Co. Ltd.
Carnival Corp.	Cigna Corp.	Designer Brands Inc.
Carpenter Technology Corp.	Cirrus Logic Inc.	DEUTZ AG
Carr's Group PLC	Citigroup Inc.	Devro PLC
Carrefour SA	Citizens Financial Group Inc.	Dexus
Carriage Services Inc.	Civitas Resources Inc.	Digital Realty Trust Inc.
Carrols Restaurant Group Inc.	Clarkson PLC	Diversified Energy Co. PLC
Carvana Co.	Clearfield Inc.	Dollar Tree Inc.
Catalyst Pharmaceuticals Inc.	Cleveland-Cliffs Inc.	Dorian LPG Ltd.
Caterpillar Inc.	Codorus Valley Bancorp Inc.	dormakaba Holding AG
Cato Corp.	Cofinimmo SA	Douglas Elliman Inc.
CBRE Group Inc.	Coles Group Ltd.	Douglas Emmett Inc.
Cembra Money Bank AG	Comtech Telecommunications Corp.	Dril-Quip Inc.
Centamin PLC	ConocoPhillips	Ducommun Inc.
Central Garden & Pet Co.	Corcept Therapeutics Inc.	Dufry AG
Century Aluminum Co.	Costco Wholesale Corp.	DXC Technology Co.
CGG SA	Coterra Energy Inc.	DXP Enterprises Inc.
ChannelAdvisor Corp.	Coty Inc.	Eagle Bulk Shipping Inc.
Charles River Laboratories International Inc.	Countryside Partnerships PLC	Ebara Jitsugyo Co Ltd.
Charles Schwab Corp.	Cowen Inc.	Ebix Inc.
Charter Hall Group	Cracker Barrel Old Country Store Inc.	Eclixp Group Ltd.

Elanco Animal Health Inc.	Fugro NV	HCI Group Inc.	Invacare Corp.	Kyushu Railway Co.	Methode Electronics Inc.
Element Solutions Inc.	FUJISOFT Inc.	Heidelberger Druckmaschinen AG	Investec Ltd.	Lancaster Colony Corp.	METRO AG
Elementis PLC	G-III Apparel Group Ltd.	Heiwa Real Estate Co Ltd.	IPG Photonics Corp.	Laredo Petroleum Inc.	Microsoft Corp.
Emergent BioSolutions Inc.	Galapagos NV	Helios Technologies Inc.	IQVIA Holdings Inc.	Laurentian Bank of Canada	Minerva Neurosciences Inc.
Encore Wire Corp.	Gannett Co Inc.	Helix Energy Solutions Group Inc.	J. M. Smucker Co.	Lazard Ltd.	Mitsubishi Logistics Corp.
Endo International PLC	GEA Group AG	Heritage Commerce Corp	JACQUET Metal Service SA	Lennar Corp.	Mitsubishi Steel Mfg Co Ltd.
ENEOS Holdings Inc.	Genco Shipping & Trading Ltd.	Heritage-Crystal Clean Inc.	James River Group Holdings Ltd.	Live Oak Bancshares Inc.	Mitsui & Co Ltd.
Enplas Corp.	General Electric Co.	Hersha Hospitality Trust	Japan Securities Finance Co Ltd.	LKQ Corp.	Mitsui Matsushima Holdings Co Ltd.
Enstar Group Ltd.	General Motors Co.	Hexcel Corp.	Jefferies Financial Group Inc.	Loblaw Companies Ltd.	Miyaji Engineering Co Ltd.
Equifax Inc.	Genesco Inc.	Hitachi Zosen Corp.	JetBlue Airways Corp.	Louisiana-Pacific Corp.	Mondelez International Inc.
Equinix Inc.	Genuit Group PLC	Holcim Ltd.	JGC Holdings Corp.	Lowe's Companies Inc.	Motorcar Parts of America Inc.
Escalade Inc.	Genworth Financial Inc.	Home Depot Inc.	JK Paper Ltd.	M.D.C. Holdings Inc.	Movado Group Inc.
Evercore Inc.	Glanbia PLC	Honeywell International Inc.	Johnson & Johnson	M&G PLC	MRC Global Inc.
EXFO Inc.	Glencore PLC	Hostess Brands Inc.	JPMorgan Chase & Co.	Macatawa Bank Corp.	Mueller Industries Inc.
Expeditors International of Washington Inc.	GoDaddy Inc.	Hovnanian Enterprises Inc.	Jyske Bank A/S	MACOM Technology Solutions Holdings Inc.	Myer Holdings Ltd.
Exxon Mobil Corp.	Goldman Sachs Group Inc.	Howmet Aerospace Inc.	K+S AG	Magellan Financial Group Ltd.	Nabors Industries Ltd.
Faes Farma SA	Green Dot Corp.	Huntsman Corp.	Kansai Food Market Ltd.	Malvern Bancorp Inc.	Napco Security Technologies Inc.
Fagron NV	Griffon Corp.	Ibstock PLC	KB Home	Marathon Oil Corp.	National Australia Bank Ltd.
FedEx Corp.	Grupo Financiero Banorte SAB de CV	IDP Education Ltd.	Kemper Corp.	Marathon Petroleum Corp.	National CineMedia Inc.
First American Financial Corp.	Guess? Inc.	IINO KAIUN KAISHA LTD.	Kennedy-Wilson Holdings Inc.	MarineMax Inc.	National Grid PLC
First Horizon Corp.	Halliburton Co.	Ingles Markets Inc.	Kforce Inc.	Marten Transport Ltd.	Natural Gas Services Group Inc.
First Republic Bank	Hamborner REIT AG	Insteel Industries Inc.	Kilroy Realty Corp.	Matador Resources Co.	Natural Grocers by Vitamin Cottage Inc.
Flughafen Zürich AG	Hamilton Lane Inc.	INTAGE HOLDINGS Inc.	Kingspan Group PLC	Maxell Ltd.	Nature's Sunshine Products Inc.
Fluor Corp.	Hana Financial Group	Intel Corp.	Koenig & Bauer AG	Maximus Inc.	NCR Corp.
Flushing Financial Corp.	Hanger Inc.	Intellia Therapeutics Inc.	Kohl's Corp.	McDonald's Corp.	NetScout Systems Inc.
Fonar Corp.	Harley-Davidson Inc.	InterDigital Inc.	Korn Ferry	Meggitt PLC	Newpark Resources Inc.
Forterra PLC	Hasbro Inc.	Interface Inc.	Kraft Heinz Co.	Mercialys SA	Nexans SA
Forum Energy Technologies Inc.	Hawaiian Holdings Inc.	International Business Machines Corp.	Kroger Co.	Meritage Homes Corp.	Nexity SA
freenet AG	Haynes International Inc.	International Paper Co.	Kumho Petrochemical Co Ltd.	Merrimack Pharmaceuticals Inc.	NexPoint Residential Trust Inc.
Fresh Del Monte Produce Inc.	Hazama Ando Corp.	Intertek Group PLC	Kyokuto Kaihatsu Kogyo Co Ltd.	Mersen SA	Nexstar Media Group Inc.

NextEra Energy Inc.	Pediatrix Medical Group Inc.	Ryosan Co Ltd.	Southwest Gas Holdings Inc.	Toshiba Corp.	Walt Disney Co.
NextGen Healthcare Inc.	Penns Woods Bancorp Inc.	Sacyr SA	SpartanNash Co.	TotalEnergies SE	Warrior Met Coal Inc.
NexTier Oilfield Solutions Inc.	PepsiCo Inc.	Sanmina Corp.	Spirit Airlines Inc.	Travelers Companies Inc.	Wells Fargo & Co.
Nicolet Bankshares Inc.	Perenti Global LTD	Santos Ltd.	SSE PLC	Travere Therapeutics Inc.	Wendy's Co.
Nihon Chouzai Group	PerkinElmer Inc.	Sasol Ltd.	Stabilus SE	Tredegear Corp.	WESCO International Inc.
Ninety One UK Ltd.	Petropavlovsk PLC	SBA Communications Corp.	Standard Chartered PLC	TrustCo Bank Corp NY	Wesfarmers Ltd.
Nippon Chemi-Con Corp.	Pfizer Inc.	Scentre Group Ltd.	Stanley Black & Decker Inc.	Turkish Airlines	Western Digital Corp.
Nissha Co Ltd.	PFSweb Inc.	SCOR SE	Star Entertainment Group Ltd.	Tutor Perini Corp.	Western New England Bancorp Inc.
NMI Holdings Inc.	Piper Sandler Companies	Sealed Air Corp.	Stellantis NV	TV TOKYO Holdings Corp.	Westwood Holdings Group Inc.
Nomura Holdings Inc.	PJT Partners Inc.	Semtech Corp.	STRATTEC Security Corp.	Tyson Foods Inc.	WH Smith PLC
Northeast Bank	Post Holdings Inc.	Seven & i Holdings Co Ltd.	Stratus Properties Inc.	u-blox Holding AG	White Mountains Insurance Group Ltd.
Northern Star Resources Ltd.	Preferred Bank	Shell PLC	Stride Inc.	UBS Group AG	Wickes Group PLC
Northrim BanCorp Inc.	Prologis Inc.	Shinhan Financial Group Co Ltd.	Sumitomo Electric Industries Ltd.	UDR Inc.	Wienerberger AG
Norwegian Cruise Line Holdings Ltd.	Prosperity Bancshares Inc.	Shinsei Bank Ltd.	Sumitomo Mitsui Trust Holdings Inc.	Union Pacific Corporation	Williams Companies Inc.
Nucor Corp.	Qorvo Inc.	Shoprite Holdings Ltd.	Sunrun Inc.	Unite Group PLC	Williams-Sonoma Inc.
NVE Corp.	Quanta Services Inc.	SIG PLC	Sunstone Hotel Investors Inc.	United Natural Foods Inc.	WillScot Mobile Mini Holdings Corp.
nVent Electric PLC	Radiant Logistics Inc.	Signature Bank/New York NY	Superior Industries International Inc.	United Therapeutics Corp.	Wincanton PLC
OC Oerlikon Corp. AG	Ranpak Holdings Corp.	Silicon Laboratories Inc.	Sylvamo Corp.	Universal Health Realty Income Trust	Wistron Corp.
Oceaneering International Inc.	Rayonier Advanced Materials Inc.	Simulations Plus Inc.	Synalloy Corp.	Universal Health Services Inc.	Woodside Energy Group Ltd.
OceanFirst Financial Corp.	RBC Bearings Inc.	Sinopec Engineering (Group) Co Ltd.	Taiyo Holdings Co Ltd.	UPL Ltd.	Woori Financial Group Inc.
Oracle Corp.	RCI Hospitality Holdings Inc.	Skechers U.S.A. Inc.	Teijin Ltd.	US Foods Holding Corp.	Worthington Industries Inc.
Orange SA	RE/MAX Holdings Inc.	SkyWest Inc.	Tejon Ranch Co.	VastNed Retail NV	WW International Inc.
Orica Ltd.	Regional Management Corp.	Skyworks Solutions Inc.	Teleflex Inc.	Vector Group Ltd.	Xerox Holdings Corp.
Outokumpu Oyj	Reinsurance Group of America Inc.	SL Green Realty Corp.	Telephone & Data Systems Inc.	Ventas Inc.	Xperi Corp.
OUTSOURCING Inc.	Restaurant Brands International Inc.	SMART Global Holdings Inc.	Tesla Inc.	Viavi Solutions Inc.	XPO Logistics Inc.
PacWest Bancorp	Riken Vitamin Co Ltd.	SMCP SA	Textron Inc.	Village Super Market Inc.	Yamaha Motor Co Ltd.
Paramount Group Inc.	Rio Tinto Ltd.	Sojitz Corp.	The Manitowoc Company Inc.	Virgin Money UK PLC	Yorozu Corp.
Park Hotels & Resorts Inc.	Riverview Bancorp Inc.	Solvay SA	TimkenSteel Corp.	Vornado Realty Trust	Yotai Refractories Co Ltd.
Patrick Industries Inc.	RLJ Lodging Trust	Sompo Holdings Inc.	Titan International Inc.	W&T Offshore Inc.	Ziff Davis Inc.
Patterson-UTI Energy Inc.	Rocky Mountain Chocolate Factory Inc.	South32 Ltd.	Top Glove Corporation Berhad	Walgreens Boots Alliance Inc.	Zurn Elkay Water Solutions Corp.
PC Connection Inc.	RPT Realty	Southern Missouri Bancorp Inc.			

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