

SUSTAINABLE FINANCE DISCLOSURE REGULATION: ARTICLE 4

Statement on Principal Adverse Impacts of Investment Decisions on Sustainability Factors

Dimensional Ireland Limited

June 28, 2024

Financial Market Participant

Dimensional Ireland Limited (LEI: 549300I7AGN8RP5ZX867)

Summary

Dimensional Ireland Limited (LEI: 549300I7AGN8RP5ZX867; herein “**Dimensional Ireland**”) considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of Dimensional Ireland.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January 2023 to 31 December 2023.

Principal adverse impact (“**PAI**”) indicators are made up of both mandatory and optional indicators. Dimensional Ireland has populated 18 mandatory indicators as defined by the Sustainable Finance Disclosure Regulation (“**SFDR**”), and two optional indicators. The optional PAI indicators selected from Table 2 and Table 3 of the Regulatory Technical Standards of SFDR are “Land degradation, desertification, soil sealing” and “Operations and suppliers at significant risk of incidents of child labour”, respectively.

Methodology

With regard to the methodology for identifying and prioritizing PAIs, Dimensional Ireland solicits feedback from clients on their sustainability preferences through a number of methods which feed into Dimensional Ireland’s decision on which PAIs are considered. Across Dimensional Ireland’s funds subject to Article 8 of SRDR (the “**Sustainability Funds**”), Dimensional Ireland applies rigorous methodologies to attain environmental and social characteristics promoted by these funds. The quality of Dimensional Ireland’s methodology for identifying and assessing PAIs is reliant on the quality of data received.

Historical Comparison

Since the 2022 Statement on Principal Adverse Impacts of Investment Decisions on Sustainability Factors, Dimensional Ireland extended its options for investors seeking to consider PAIs on sustainability factors in their investment decisions in 2023.

Dimensional Funds plc, an entity that has delegated the day-to-day management of its assets to Dimensional Ireland, launched the World Sustainability Equity Fund and the Global Sustainability Targeted Value Fund, which consider the same set of PAIs as the other Sustainability Funds managed by Dimensional Ireland.

Furthermore, in order to better take into account specific PAIs on social and employee matters, all Sustainability Funds implemented a business conduct screen in 2023. Now all Sustainability Funds seek to exclude portfolio companies identified as operating in a manner inconsistent with responsible business conduct standards, such as those defined by the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises, because of material involvement in severe controversies related to the environment (e.g. land use and biodiversity, toxic spills and releases, operational waste or water management), society (e.g. child labour or human rights) or corporate governance (e.g. corruption or fraud).

Material changes in impact of PAI indicators between calendar year 2023 and 2022 are generally driven by changes in data coverages, or low data coverage in general. Material changes that were not caused by changes in data coverage are explained in the tables on pages 4 to 10 of the English version of the 2023 Statement on Principal Adverse Impacts of Investment Decisions on Sustainability Factors.

Description of the Principal Adverse Impacts on Sustainability Factors

The 18 mandatory indicators as defined by the SFDR are set out in the tables below. The optional PAI indicators selected from Table 2 and Table 3 of the Regulatory Technical Standards of the SFDR are “Land degradation, desertification, soil sealing” and “Operations and suppliers at significant risk of incidents of child labour”, respectively.

For the applicable PAI indicators, Dimensional Ireland has included information to describe the actions taken and the future remedial plans relevant to reducing or avoiding the PAIs identified. Impact has been calculated for the period of 1 January 2023 to 31 December 2023, taken as the average of impacts of the quarter on 31 March, 30 June, 30 September, and 31 December 2023.

A historical comparison of the period ending 31 December 2022 against the period ending 31 December 2023 is displayed in the table below.

Indicators applicable to investments in investee companies

Adverse sustainability indicator	Metric	Impact (2023)	Impact (2022)	Explanation	Actions taken, and actions planned, and targets set for the next reference period
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions.	2,266,033.7	2,019,141.8	Total GHG scope 1 emissions “financed” by the entity (tCO ₂ e). <u>2023</u> : Assets in scope (“AIS”): 92.0% Data coverage (“DC”): 88.9% <u>2022</u> : AIS: 92.0% DC: 88.2%
		Scope 2 GHG emissions.	521,311.8	508,769.2	Total GHG scope 2 emissions “financed” by the entity (tCO ₂ e). <u>2023</u> : AIS: 92.0% DC: 88.9% <u>2022</u> : AIS: 92.0% DC: 88.2%
		Scope 3 GHG emissions.	26,504,528.9	20,773,229.8	Total GHG scope 3 emissions “financed” by the entity (tCO ₂ e). <u>2023</u> : AIS: 92.0% DC: 88.9% <u>2022</u> : AIS: 92.0% DC: 88.2%
		Total GHG emissions.	29,291,874.4	23,301,140.8	The 2023 impact increased primarily due to the increase of Dimensional Ireland’s assets under management. Total GHG scope 1+2+3 emissions “financed” by the entity (tCO ₂ e). <u>2023</u> : AIS: 92.0% DC: 88.9% <u>2022</u> : AIS: 92.0% DC: 88.2%
	2. Carbon footprint	Carbon footprint.	866.4	845.1	Weighted average GHG scope 1+2+3 emissions “financed” by the entity per EURm investment (tCO ₂ e / EURm investment). <u>2023</u> : AIS: 92.0% DC: 88.9% <u>2022</u> : AIS: 92.0% DC: 88.2%
	3. GHG intensity of investee companies	GHG intensity of investee companies.	1,585.6	1,738.6	Weighted average GHG scope 1+2+3 emissions per EURm sales (tCO ₂ e / EURm sales). <u>2023</u> : AIS: 92.0% DC: 89.6% <u>2022</u> : AIS: 92.0% DC: 88.9%
	4. Exposure to companies	Share of investments in	9.6%	9.8%	Fossil fuel involvement Y/N (% of entity weight).

	active in the fossil fuel sector	companies active in the fossil fuel sector.			2023: AIS: 92.0% DC: 91.0% 2022: AIS: 92.0% DC: 90.6%	<p>process. Methodologies to calculate scope 3 GHG emissions currently lack detailed, standardised requirements that would enable meaningful comparisons between companies. Additionally, most of the available Scope 3 GHG emissions data available for companies and included in the PAI calculations is based on modelled data provided by Dimensional Ireland's data vendor. Hence, the estimation of Scope 3 emissions is based on various assumptions depending on a portfolio company's industry, business lines and supply chain profile. A small change in assumptions can lead to significantly different estimates.</p> <p>For investors that have not expressed environmental goals through their choice of investment vehicle, we are mindful that they have also still entrusted us with their assets and that there may be financial trade-offs involved with reducing PAIs. Careful stewardship of our clients' assets, in line with their objectives, is a responsibility we take seriously.</p>
5.	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources.	62.8%	74.4%	Weighted average non-renewable energy consumption (% of total energy consumption). 2023: AIS: 92.0% DC: 50.8% 2022: AIS: 92.0% DC: 15.8%	
			1.9%	2.0%	Weighted average non-renewable energy production (% of total energy production). 2023: AIS: 92.0% DC: 86.8% 2022: AIS: 92.0% DC: 86.6%	
6.	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector.	0.4	0.1	Agriculture, Forestry and Fishing. 2023: AIS: 0.2% DC: 0.1% 2022: AIS: 0.2% DC: 0.0%	
			3.6	3.4	Mining and Quarrying. 2023: AIS: 4.9% DC: 4.1% 2022: AIS: 5.7% DC: 0.5%	
			0.9	0.9	Manufacturing. 2023: AIS: 29.8% DC: 23.6% 2022: AIS: 28.6% DC: 6.1%	
			4.6	3.2	Electricity, Gas, Steam and Air Conditioning Supply. 2023: AIS: 2.0% DC: 1.4% 2022: AIS: 2.1% DC: 0.3%	
			0.6	0.8	Water Supply; Sewage, Waste Management and Remediation Activities. 2023: AIS: 0.3% DC: 0.2% 2022: AIS: 0.3% DC: 0.0%	
			0.3	0.1	Construction. 2023: AIS: 1.6% DC: 0.6% 2022: AIS: 1.4% DC: 0.2%	
			0.6	0.3	Wholesale and Retail Trade. 2023: AIS: 6.1% DC: 4.5%	

					2022: AIS: 6.4% DC: 0.7%	
			3.1	2.3	Transportation and Storage. 2023: AIS: 2.2% DC: 1.6% 2022: AIS: 2.1% DC: 0.2%	
			0.3	0.1	Real Estate Activities. 2023: AIS: 2.6% DC: 1.6% 2022: AIS: 2.7% DC: 0.1%	
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas.	0.1%	0.1%	Companies negatively affecting biodiversity-sensitive areas Y/N (% of entity weight). 2023: AIS: 92.0% DC: 90.6% 2022: AIS: 92.0% DC: 89.5%	For clients interested in considering PAIs on biodiversity, water and waste, Dimensional Ireland offers Sustainability Funds that seek to exclude portfolio companies with adverse environmental impacts through material involvement in business activities related to palm oil and factory farming. Additionally, the Sustainability Funds seek to exclude portfolio companies because of material involvement in severe controversies related to the environment (e.g. land use and biodiversity, toxic spills and releases, operational waste or water management).
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average.	0.4	0.3	Weighted average emissions to water “financed” by the entity per EURm investment (tonnes / EURm investment). 2023: AIS: 92.0% DC: 1.6% 2022: AIS: 92.0% DC: 1.3%	
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average.	10.8	217.5	Weighted average hazardous and radioactive waste “financed” by the entity per EURm investment (tonnes / EURm investment). 2023: AIS: 92.0% DC: 31.3% 2022: AIS: 92.0% DC: 6.8%	

Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.	1.6%	2.2%	<p>UNGC/OECD Guideline Violations Y/N (% of entity weight). <u>2023</u>: AIS: 92.0% DC: 90.6% <u>2022</u>: AIS: 92.0% DC: 89.5%</p>	<p>For clients interested in considering PAIs on social and employee matters, Dimensional Ireland offers Sustainability Funds that consider PAI 10. The Sustainability Funds seek to exclude portfolio companies identified as operating in a manner inconsistent with responsible business conduct standards, such as those defined by the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises, because of material involvement in severe controversies related to the environment (e.g. land use and biodiversity, toxic spills and releases, operational waste or water management), society (e.g. child labour or human rights) or corporate governance (e.g. corruption or fraud).</p> <p>Furthermore, if a portfolio company's business conduct is identified to be inconsistent with the responsible business conduct standards, but not to the extent that the concern merits an exclusion, then Dimensional Ireland may halt additional investment in the company and seek further review by the Investment Stewardship Group.</p> <p>Additionally, all commingled funds managed by Dimensional Ireland consider PAI 14 by excluding portfolio companies with involvement in the manufacture or selling of controversial weapons.</p> <p>Currently, Dimensional Ireland does not consider PAIs 11-13 in its investment process.</p>
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.	32.3%	29.1%	<p>UNGC/OECD lack of processes and compliance Y/N (% of entity weight). <u>2023</u>: AIS: 92.0% DC: 82.7% <u>2022</u>: AIS: 92.0% DC: 81.8%</p>	
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies.	9.5%	7.6%	<p>Weighted average unadjusted (mean) gender pay gap (% of men's salary). <u>2023</u>: AIS: 92.0% DC: 5.7% <u>2022</u>: AIS: 92.0% DC: 6.2%</p>	
	13. Board gender diversity	Average ratio of female to male	33.4%	31.6%	<p>Weighted average women on board (% of total board).</p>	

		board members in investee companies, expressed as a percentage of all board members.			<u>2023</u> : AIS: 92.0% DC: 74.1% <u>2022</u> : AIS: 92.0% DC: 73.3%	
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons.	0.0%	0.0%	Controversial weapons involvement Y/N (% of entity weight). <u>2023</u> : AIS: 92.0% DC: 91.1% <u>2022</u> : AIS: 92.0% DC: 90.7%	

Indicators applicable to investments in sovereigns and supranationals

Adverse sustainability indicator		Metric	Impact (2023)	Impact (2022)	Explanation	Actions taken, and actions planned, and targets set for the next reference period
Environmental	15. GHG intensity	GHG intensity of investee countries.	289.8	215.0	Weighted average GHG scope 1+2+3 emissions per EURm GDP (tCO _{2e} / EURm GDP). <u>2023</u> : AIS: 8.0% DC: 6.3% <u>2022</u> : AIS: 8.0% DC: 5.5%	The government bond investment universe of fixed income funds managed by Dimensional Ireland comprises sovereign bonds issued by Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Italy, Japan, Luxembourg, New Zealand, the Netherlands, Norway, Portugal, Singapore, Spain, Switzerland, Sweden, the United Kingdom and the United States. Given the breadth and depth of the fixed income market for these sovereign issuers, it is doubtful whether an investor can influence the public policies of these sovereign countries.
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law.	3 (15.0%)	3 (14.3%)	Countries subject to social violations (number of countries / % of all countries). <u>2023</u> : AIS: 8.0% DC: 6.3% <u>2022</u> : AIS: 8.0% DC: 5.5% Death penalty: Japan, United States, and Singapore	Furthermore, and in contrast to equity investments where board and management of the portfolio company can be held accountable in shareholder meetings and through engagements, there are no established governance mechanisms through which bondholders can discuss the adverse effects caused by sovereign or supranational issuers on environmental or social factors. As such and due to the likely expected return and diversification concessions involved when excluding certain government issuers from investment, Dimensional Ireland currently does not consider PAIs by investee countries in its investment process.

Indicators applicable to investments in real estate assets

Adverse sustainability indicator		Metric	Impact (2023)	Impact (2022)	Explanation	Actions taken, and actions planned, and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels.	N/A	N/A	No real estate assets	N/A
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets.	N/A	N/A	No real estate assets	N/A

Other indicators for principal adverse impacts on sustainability factors

Adverse sustainability indicator		Metric	Impact (2023)	Impact (2022)	Explanation	Actions taken, and actions planned, and targets set for the next reference period
Water, waste and material emissions	Land degradation, desertification, soil sealing	Share of investments in investee companies the activities of which cause land degradation, desertification or soil sealing.	N/A	N/A	<u>2023</u> : AIS: 92.0% DC: N/A <u>2022</u> : AIS: 92.0% DC: N/A	For clients interested in considering PAIs from land degradation, desertification and soil sealing, Dimensional Ireland offers Sustainability Funds that seek to exclude portfolio companies with adverse environmental impacts through material involvement in business activities related to palm oil and factory farming. Additionally, the Sustainability Funds seek to exclude portfolio companies because of material involvement in severe controversies related to the environment (e.g. land use and biodiversity, toxic spills and releases, operational waste or water management).
Human Rights	Operations and suppliers at significant risk of incidents of child labour	Share of investments in investee companies exposed to operations and suppliers at significant risk of incidents of child labour in terms of geographic areas or type of operation.	N/A	N/A	<u>2023</u> : AIS: 92.0% DC: N/A <u>2022</u> : AIS: 92.0% DC: N/A	For clients interested in considering PAIs from child labour, Dimensional Ireland offers Sustainability Funds that seek to exclude portfolio companies with material involvement in severe social controversies related to the society (e.g. child labour or human rights).

Description of Policies to Identify and Prioritise Principal Adverse Impacts on Sustainability Factors

Overview

The board of Dimensional Ireland approved the policies associated with SFDR in December 2023, including its policies to identify and prioritise PAIs on sustainability factors. Principal adverse impacts are generally reviewed at least annually, taking into account information from third party academics in the fields of climate science and economics, specialized data providers and industry groups. In addition, Dimensional holds periodic meetings with consultants, clients, financial advisors that Dimensional works with and other stakeholders to better understand their priorities with respect to sustainability.

Dimensional follows a systematic, process-driven investment approach that integrates due diligence checks throughout our implementation and risk management processes. As part of our process for creating an eligible equity universe, we review country risks, exchange listing standards, and individual securities for structural, governance-related issues. For fixed income securities, Dimensional analyses information from the security's prospectus, official statement, escrow agreement, and certain other relevant documents prior to investing in any securities. As part of our portfolio design, portfolio management and trading processes, Dimensional implements due diligence checks to attain the environmental and social characteristics promoted by the Sustainability Funds. The core of these checks is the integration of reliable environmental and social data. As part of Dimensional's risk management process, we monitor portfolio companies daily for reports of potential involvement in significant controversies, including environmental, social or governance ("ESG") related controversies.

Dimensional advocates for effective oversight of environmental and social risk and other governance best practices through engagement with portfolio companies, proxy voting, engagement with regulators and policy makers, and participation in industry events and organizations.

Governance

Dimensional Ireland's Designated Person for Investment Management monitors and oversees the implementation of the policies for the identification and prioritisation of PAIs. The Designated Person reports to the Dimensional Ireland board on a regular basis on the implementation of strategies and may escalate any material issues relating to Dimensional Ireland's consideration of PAIs to the board.

Methodology

PAI indicators are made up of both mandatory and voluntary indicators. The voluntary indicators are chosen based on a variety of factors. In particular, in order to assess and prioritise PAIs, Dimensional Ireland aims to be informed by its clients while maintaining a focus on data quality. Dimensional Ireland solicits feedback from clients on their sustainability preferences through a number of methods which feed into its decision on which PAIs are considered.

Across the Sustainability Funds, Dimensional Ireland applies rigorous methodologies to attain the environmental and social characteristics promoted by the funds, including the consideration of certain PAIs. These methodologies include:

- Reduction in exposure to issuers with high greenhouse gas emissions;
- Reduction in exposure to issuers owning coal, oil and gas reserves; and

- Exclusion of portfolio companies with adverse environmental/social impacts as well as companies identified as operating in a manner inconsistent with responsible business conduct standards, such as those defined by the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises.

The quality of Dimensional Ireland's methodology for identifying and assessing PAIs is reliant on the quality of data received from the portfolio companies and third-party data vendors. These methodologies do not take into account the probability of occurrence and the severity of the PAIs, including their potentially irremediable character.

Data Sources and Margin of Error within Methodology

Dimensional Ireland uses Institutional Shareholder Services Inc. ("ISS") for data on PAIs. Prior to contracting with ISS, Dimensional performed due diligence on the company and carried out data quality checks. Representatives of Dimensional and ISS discuss and review the data and applied methodologies. Although ISS obtains information from sources they consider reliable, ISS does not warrant or guarantee the originality, accuracy, and/or completeness of the data. For issuers where PAI data is not available, ISS may estimate values, whereby estimates are based on clear estimation and modelling rules.

Dimensional's Investment Analytics and Data team and Portfolio Management group monitor data quality through a variety of validations, which may include period-to-period data changes, comparisons of data between multiple vendors, and other quality assurance mechanisms.

The PAI data landscape is still maturing. A lack of portfolio company reported data remains one of the primary limitations. For example, the coverage of reported greenhouse gas emissions tends to be lower for small and emerging market portfolio companies, although the trend of available reported data in these markets continues to improve. Another limitation is the inconsistency of data and methodologies across vendors and portfolio companies.

Engagement Policies

Dimensional Ireland has adopted an engagement policy under the Shareholder Rights Directive II. This policy refers to the various disclosures published to outline Dimensional Ireland's approach to engagement and proxy voting.

As set out in Dimensional's Investment Stewardship Statement, topics prioritised for engagement may vary by region and country, but generally engagements are tied to our key stewardship priority areas (board structure and composition, board oversight of material environmental and social risks, shareholder rights, and executive compensation). For instance, we engage with portfolio companies to encourage the adoption of robust policies and procedures for managing risk (including environmental and social risk) and effective board oversight.

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](#) data, to help identify candidates for engagement or to inform our engagements. Furthermore, we track our engagements on ESG issues and may follow up with portfolio companies on outcomes. If we believe that portfolio company boards have not adequately addressed particular shareholder concerns, we may determine to exercise our proxy votes against the appropriate board members. Common reasons for escalation to exercising

proxy votes 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.

For the Sustainability Funds, Dimensional Ireland employs a Policy to Assess Good Governance Practices of Portfolio Companies to satisfy the SFDR requirement that all portfolio companies in which investments are made follow good governance practices. As part of this process, portfolio companies with exceptional governance concerns identified by Dimensional's Investment Stewardship Group may be escalated for exclusion from the Sustainability Funds.

Dimensional's Investment Stewardship Group often engages directly with the board and management of portfolio companies to better understand their approach to corporate governance, including management of material environmental and social risks.

Please see the Dimensional Ireland Shareholder Engagement Policy and Dimensional's annual stewardship report which describes how we integrate shareholder engagement into our investment strategy in the context of investment in shares of companies traded on an EU regulated market.

The Investment Stewardship Committee oversees engagement activities of the Investment Stewardship Group on a quarterly basis.

Dimensional seeks to protect or enhance shareholder value, considering the standards of relevant legal and regulatory regimes, listing requirements, regional corporate governance codes, and any social and sustainability guidelines of specific funds or accounts. As such, the engagement policies do not directly consider PAIs. Dimensional Ireland does not expect to adapt its engagement policies if there is no reduction of PAIs.

More information about Dimensional's general engagement strategy is available in the Investment Stewardship section of our website at <https://www.dimensional.com/who-we-are/investment-stewardship>.

References to International Standards

Dimensional is a signatory to the United Nations' Principles of Responsible Investment, Dimensional Fund Advisors Ltd. is a signatory to the UK Stewardship Code 2020 and Dimensional Fund Advisors LP is a signatory to the Japan Stewardship Code and a member of the International Corporate Governance Network.

Dimensional takes a principles-based approach to alignment to the international standards noted above. As such, it does not measure the adherence or alignment of PAIs to these international standards.

Dimensional does not make use of forward-looking climate scenarios. Modelling future economic damages from climate change poses immense challenges. It is unclear where and when physical effects occur, how quickly climate policies will be introduced, how politics and societal norms will develop, how these developments will affect GDP growth, or what innovations will take place. With all these uncertainties, different climate models can diverge widely in their conclusions. Dimensional therefore believes that estimates of exposure to physical risks and transition risks are too assumption dependant to be useful for informing investment decisions.

For further information on the implementation of Dimensional's sustainability investment approach please see Dimensional's annual responsible investment report which is available on the Dimensional website.

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Furthermore, in order to better take into account specific PAIs on social and employee matters, all Sustainability Funds implemented a business conduct screen in 2023. Now all Sustainability Funds seek to exclude portfolio companies identified as operating in a manner inconsistent with responsible business conduct standards, such as those defined by the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises, because of material involvement in severe controversies related to the environment (e.g. land use and biodiversity, toxic spills and releases, operational waste or water management), society (e.g. child labour or human rights) or corporate governance (e.g. corruption or fraud).

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