

**Dimensional Fund Advisors Ltd.(the “Company”)**

**Statement in respect of Section 172(1) of the Companies Act 2006 for the financial year ended 31 December 2023**

This statement is made for the purposes of Section 414CZA of the Companies Act 2006. It describes how the directors of the Company have had regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 when performing their duty to promote the success of the Company for the benefit of the members as a whole.

**Overview:** The Company is a private company limited by shares, registered in England and Wales. The directors of the Company are committed to promoting the long-term success of the Company and believe that the business of the Company has been conducted in the interests of Dimensional Fund Advisors LP, the Company’s parent company and shareholder, with a view to achieving long term sustainable success, benefiting the Company’s stakeholders.

**Regulators:** The Company continues to be authorised and regulated by the UK Financial Conduct Authority (“FCA”) and so is subject to, and has conducted its business in accordance with, the FCA rules, including the FCA’s principles. Under the FCA’s principles, the Company is required to conduct its business with integrity and observe proper standards of market conduct, and also to pay due regard to the interests of customers and treat them fairly. In addition to conducting business in accordance with the principles of the FCA, the Company has established guiding principles which are to: act in the best interests of clients, act in a way that is ethical and legal, compete aggressively to succeed, base investment strategies on a scientific methodology, emphasise financial sustainability and to create opportunities for our people to contribute both to our success and to their own.

During the year, the Company took implementation steps designed to comply with the FCA’s Consumer Duty in respect of retail customers, prior to the 31 July 2023 implementation date. The Consumer Duty is intended to improve how UK regulated firms serve retail customers. The Company revised certain of its policies, procedures and processes as part of its plans to seek to comply with the Consumer Duty. The Company also identified one of its independent non-executive directors as its Consumer Duty “Champion”. The Company intends to continue to monitor for compliance with the requirements of the Consumer Duty.

In 2023, the Company responded to the FCA’s consultation paper on sustainability disclosure requirements and investment labels to encourage the FCA to expand its view of what constitutes a sustainable investment. The Company also responded to the HM Treasury’s consultation on the UK Government’s intention to repeal the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation, supporting the Government’s efforts to improve choice for investors and promote competition in the market. The Company also supported the FCA’s proposal to establish a framework for a UK consolidated tape for bonds, noting the benefits to investors of post-trade transparency. Finally, the Company responded to the UK Department for Energy Security and Net Zero (DESNZ) call for evidence on Scope 3 greenhouse gas emissions reporting in the UK, explaining why the costs of a mandatory Scope 3 reporting requirement would outweigh benefits to investors.

**Clients:** The directors of the Company continue to be committed to the Company complying with applicable legal and regulatory requirements and acting in the best interests of its clients. The Company regularly engages with clients, including through meetings, conferences and events and in this way aims to stay apprised of the concerns of its clients.

Investors in Dimensional Funds ICVC: The Company is also the Authorised Corporate Director (“ACD”) of Dimensional Funds ICVC (“ICVC”), a UK domiciled fund range. With respect to delivering value to investors in the ICVC, during the year the Company conducted a detailed review of the ICVC sub-funds against the FCA’s assessment of value requirements. The assessment was based on performance and cost data for the period from 1 January 2022 to 31 December 2022 and was reviewed by the Company’s directors in April 2023. The Company then published the assessment of value report in April 2023. The Company concluded that each of the ICVC’s available share classes for each sub-fund delivered good value to investors. All share classes within each of the sub-funds are charged the same management fee and the Company’s view is that charges for those funds are justified in the context of the overall value delivered to investors. The Company continues to monitor the quality of services provided to investors, as well as the level of fees and operating costs charged and intends to evaluate the value provided to investors on an ongoing basis.

In August 2023, the Company’s board of directors approved the creation of Sterling Short Duration Real Return Fund (the “Fund”), a new sub-fund of the ICVC. Following approval from the FCA, the Fund was included in the ICVC’s prospectus. The Fund is currently expected to be made available for investment in 2024 and is expected to provide a fixed income solution for investors seeking UK inflation protection.

Investment Stewardship and Sustainability: When investing on behalf of its clients, the Company believes that good governance by strong and effective boards representing shareholder interests can help monitor and mitigate material risks, including certain environmental and social risks. The Company has also taken certain environmental and social considerations into account for certain portfolios it manages and incorporates environmental social and corporate governance considerations in a manner which it thinks consistent with helping investors for which the portfolios are designed achieve their long-term goals.

The Company updated its proxy voting policy in 2023, including updating its standard proxy voting guidelines, taking into account information from academic research, industry participation, client feedback, and portfolio company engagement. The proxy voting policies also allow for the Company to implement custom voting guidelines for strategies that incorporate sustainability and social considerations in their design. Specific steps involved in developing the guidelines included: reviewing academic research from the disciplines of law, economics, and environmental science; conducting internal research and analysis; soliciting feedback from internal stakeholders, such as portfolio managers and the Company’s client representatives; discussing stewardship issues with clients; reviewing positions taken by industry groups, proxy advisors, non-profit organizations, regulators, and investors, both globally and regionally; and/or participating in industry groups and contributing to the public dialogue. The Company’s Investment Stewardship Statement is published on its website (<https://www.dimensional.com/gb-en/who-we-are/investment-stewardship>) and provides further details of its governance practices. The Company published its UK Stewardship Code Report 2022-2023 covering the period 1 July 2022 to 30 June 2023, and also provided an explanation of the most significant votes for the same period. On 21 February 2023, the Financial Reporting Council confirmed that the Company would remain a signatory to the UK Stewardship Code.

Dimensional<sup>1</sup> seeks to understand the impact of its business operations on the environment and develop offices, plans and processes that minimize those impacts. The Company’s parent company is a signatory to United Nations Principles for Responsible Investment (UN-PRI). Dimensional believes that its sustainable operational efforts have matured, it has formed a Sustainable Operations Task Force, it has brought on

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<sup>1</sup> “Dimensional” refers to the Dimensional separate but affiliated entities generally, rather than one particular entity. These entities are the Company, Dimensional Fund Advisors LP, Dimensional Ireland Limited, DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd. and Dimensional Japan Ltd.

sustainability consultants, and it continues to carry out a multi-year sustainability initiative to reduce its operational carbon footprint. For more information, please see the Company's website, in particular the pages relating to investment stewardship (<https://www.dimensional.com/gb-en/who-we-are/investment-stewardship>), which includes a copy of the Annual Responsible Investment Report.

Employees and Diversity: Diversity and inclusion were a continued focus for the Company in 2023. Dimensional's Diversity and Inclusion Executive Council is charged with assessing Dimensional's needs, examining best practices, and helping form a strategy that aims to identify means of increasing awareness and ensuring an inclusive work environment. In 2023, Dimensional continued to implement and integrate its multi-year roadmap for developing its Diversity and Inclusion Employee Program. The Company provides a range of benefits which support and promote the health and wellbeing of its staff in a manner compliant with legal requirements. The Company believes that it is important that the working conditions of the Company's staff meet required standards and management has reviewed those benefits during the year. The Company has continued to invest in its workforce through benefits enhancements, career opportunities and new team members. In addition, the Company has a Policy on Board Diversity, to set out the approach to diversity within the board of directors of the Company.

Brokers: The Company selects brokers and dealers to effect transactions in securities for clients to procure execution services for its clients. The Company is subject to the FCA's best execution rules and has adopted certain policies and procedures to assist it in taking sufficient steps to obtain, when executing orders, the best possible result for its clients, considering various execution factors.