

SUSTAINABILITY CORE EQUITY FUNDS

Sustainability Without Compromise

Investors around the world are increasingly conscious of how business practices may impact the environment and, in turn, future generations. As a result, many investors are interested in how to align their sustainability values with their investment goals. More than 10 years ago, Dimensional launched its first sustainability investment strategy, based on the idea that investors who wish to accomplish this dual objective should not have to forfeit sound underlying investment principles. Today, Dimensional offers three sustainability investment strategies to help investors fulfill this mission.

US Sustainability Core 1 Portfolio, **DFSIX**

International Sustainability Core 1 Portfolio, **DFSPX**

Emerging Markets Sustainability Core 1 Portfolio, **DESIX**

Sustainability Through a Sound Investment Approach

Each strategy uses a data-driven approach to evaluate companies on a focused set of sustainability issues whose impact can be readily measured and reported. The primary sustainability consideration of this approach is environmental impact from company emissions, including greenhouse gas emissions and potential emissions from fossil fuel reserves. The strategies also seek to reduce exposure to a select list of other key sustainability considerations. Dimensional utilizes a combination of security selection and weighting to reduce exposure to companies with less sustainable business practices while still maintaining broad diversification.¹

Each sustainability strategy uses Dimensional's core equity methodology to offer extensive coverage of a respective investment universe while also emphasizing the dimensions of higher expected returns—smaller stocks, low relative price (value) stocks, and high profitability stocks.² By integrating sustainability considerations within a well-diversified and cost-effective investment framework, investors can pursue their goals without compromising on investment principles or accepting lower expected returns.

Dimensional's Sustainability Approach

- Aligns sustainability values and investment goals without sacrificing expected returns.
- Employs a patented approach, designed to combine focused screens with broad diversification.
- Applies Dimensional's time-tested, systematic investment process.
- Offers transparent reporting on metrics that matter to sustainability investors.

Dimensional Sustainability Strategy Considerations³

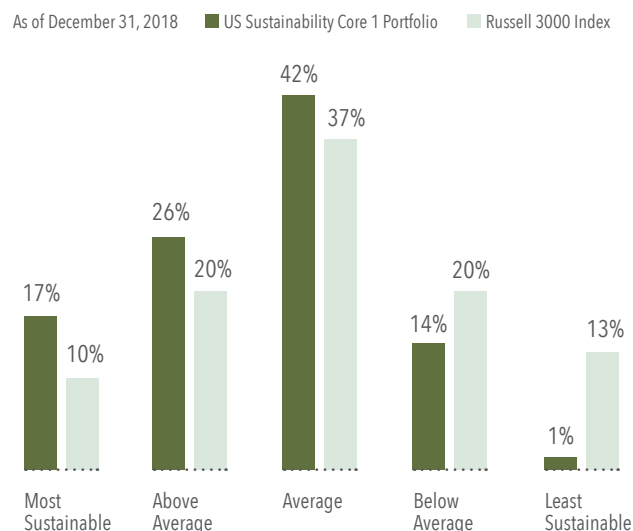
Emissions Variables

- Greenhouse gas emissions intensity
- Potential emissions from reserves

Other Environmental and Social Sustainability Variables

- Land use and biodiversity
- Toxic spills and releases
- Operational waste
- Water management
- Factory farming
- Cluster munitions
- Tobacco
- Child labor

WEIGHT DISTRIBUTION BY SUSTAINABILITY SCORE⁴



Fossil Fuel Smart

Investors are increasingly asking for transparency on how their portfolios align with their sustainability values. By engaging with our clients, we have found that their primary concerns are global warming effects from greenhouse gas emissions and potential emissions from fossil fuel reserves. Our strategies are, therefore, designed largely to decrease exposure to companies that are significant contributors to emissions or those with large fossil fuel reserves.

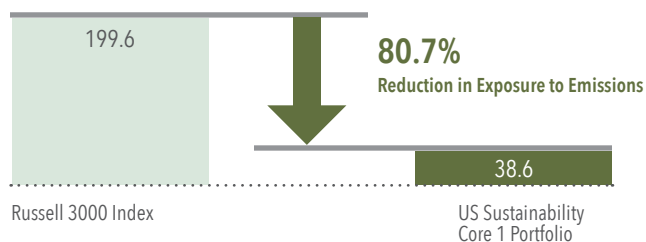
Within each sector, companies are scored on variables, including emissions, land use and biodiversity, toxic spills and releases, operational waste, and water management. Companies with high scores relative to their sector peers receive a greater weight, while those with low scores receive a lesser weight or are excluded. For emissions and potential emissions from reserves, the worst offenders across all sectors are excluded or their weight in the portfolio is further reduced. The combined application of sustainability considerations within sectors and across a strategy enables Dimensional to emphasize companies with more sustainable business practices relative to peers.

EMISSIONS EXPOSURE³

As of December 31, 2018

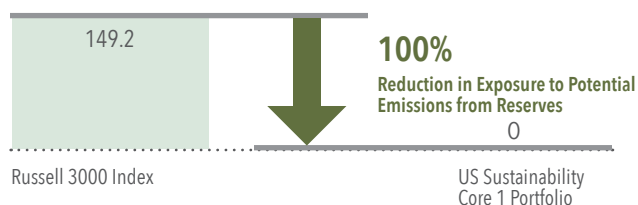
GREENHOUSE GAS EMISSIONS INTENSITY

Tons CO₂e/million sales



POTENTIAL EMISSIONS FROM RESERVES

Million Tons CO₂



1. Dimensional's approach to sustainability investing is protected by U.S. Patent Nos. 7,596,525 B1, 7,599,874 B1, and 8,438,092 B2.
2. Relative price is measured by the price-to-book ratio; value stocks are those with lower price-to-book ratios. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book.
3. Greenhouse Gas Emissions Intensity represents a company's recently reported or estimated Scope 1 (direct) + Scope 2 (indirect) greenhouse gas emissions in carbon dioxide equivalents (CO₂e) and normalized by sales in USD (metric tons CO₂e per USD million sales). Greenhouse gases included are the six gases mandated by the Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF₆). This methodology is subject to change with data developments or other findings or events. Potential Emissions from Reserves is a theoretical estimate of carbon dioxide produced if a company's reported reserves of oil, gas, and coal were converted to energy, given estimated carbon and energy densities of the respective reserves. Companies are evaluated using estimated Potential Emissions from Reserves divided by assets in USD. This methodology is subject to change with data developments or other findings or events. For information on Emissions Exposure for the International Sustainability Core 1 Portfolio and the Emerging Markets Sustainability Core 1 Portfolio, please visit us.dimensional.com.
4. Sustainability scores are based on criteria created by Dimensional. The weighting of companies in each category (e.g., Most Sustainable, Above Average, Average, Below Average, and Least Sustainable) is determined by computing breakpoints based on each company's sustainability score within its respective target market.

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Principal risks associated with the Sustainability Core 1 Portfolios collectively.

Diversification does not eliminate the risk of market loss. There is no guarantee an investment strategy will be successful. Investment risks include loss of principal and fluctuating value. Small cap securities are subject to greater volatility than those in other asset categories. Value investing is subject to risk, which may cause underperformance compared to other equity investment strategies. International investing involves special risks, such as currency fluctuation and political instability. Investing in emerging markets may accentuate these risks. Environmental screens may limit investment opportunities for the fund. For more detail regarding the specific risks affecting each sustainability portfolio, please see the Principal Risks section of each portfolio's prospectus.

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