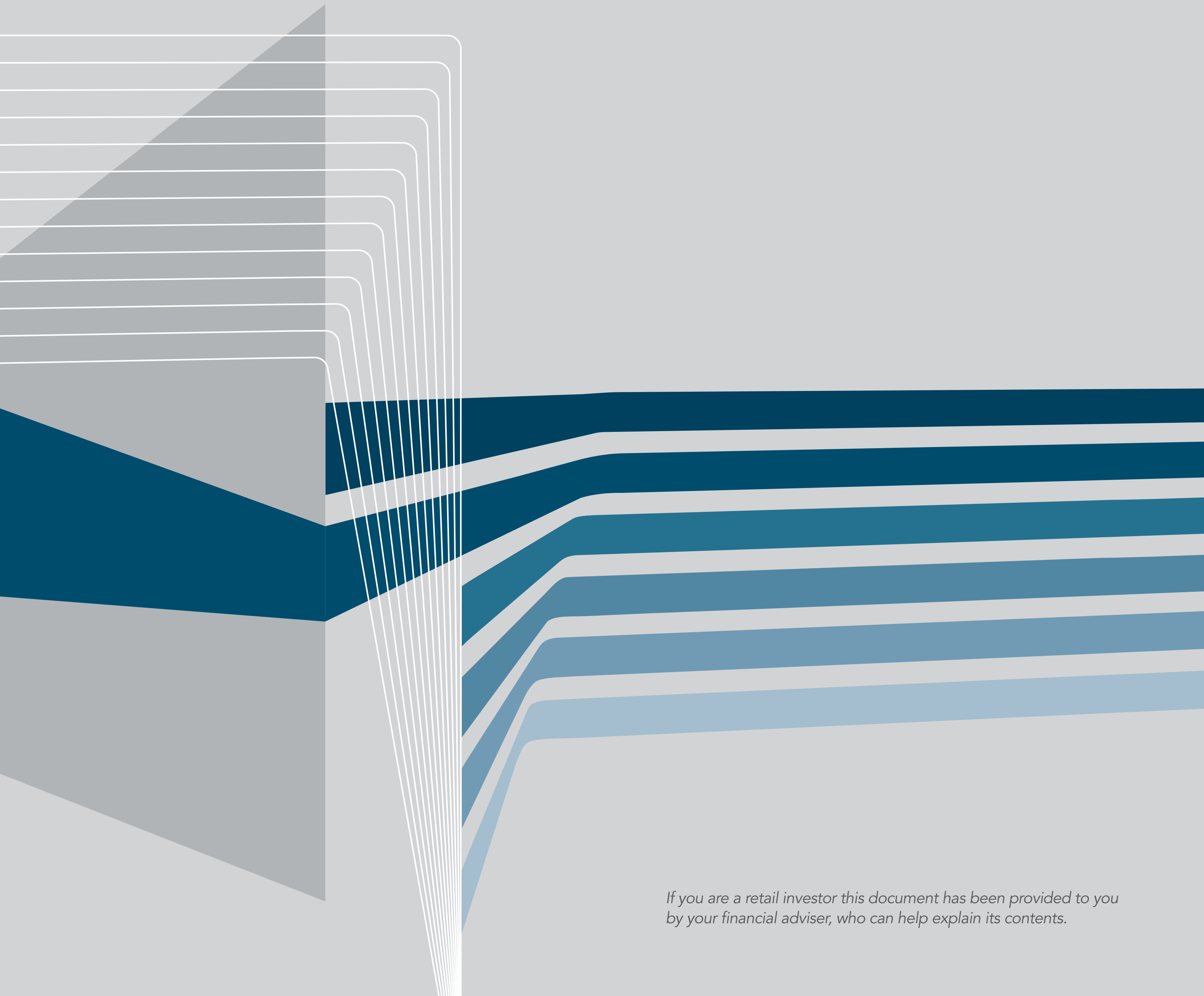
Dimensional

DIMENSIONAL FUND ADVISORS

Putting Financial Science to Work



If you are a retail investor this document has been provided to you by your financial adviser, who can help explain its contents.

Dimensional invests differently.

We build portfolios based on the science of capital markets. Decades of research guide the way.

For 35 years, we have helped investors pursue higher expected returns using advanced portfolio structure and implementation. Through deep working relationships with leading financial economists, we apply academic research to practical investment strategies to help investors benefit from what the capital markets offer.

Our goal is to deliver an outstanding investment experience to every client.

Capital markets
build wealth

MARKETS WORK

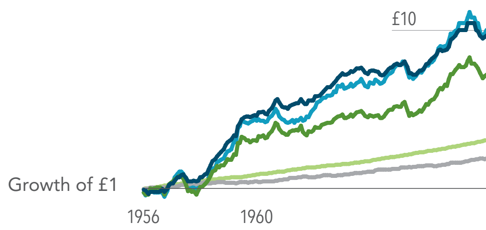
Markets throughout the world have a history of rewarding investors for the capital they supply. Companies compete for investment capital, and millions of investors compete to find the most attractive returns. Markets quickly incorporate information from this competition into security prices.

Traditional investment approaches strive to beat the market by taking advantage of pricing "mistakes" and attempting to predict the future. Too often, these approaches prove costly and futile. Predictions go awry and managers may hold the wrong securities at the wrong time, missing the strong returns that markets can provide. Meanwhile, capital-based economies thrive—not because markets fail but because they succeed.

INVESTING VS. SPECULATING

The futility of speculation is good news for the investor. It means prices for public securities are fair and that portfolio structure, not mispricing, explains differences in average returns. It is certainly possible to outperform markets, but not without balancing risks and costs against expected returns.

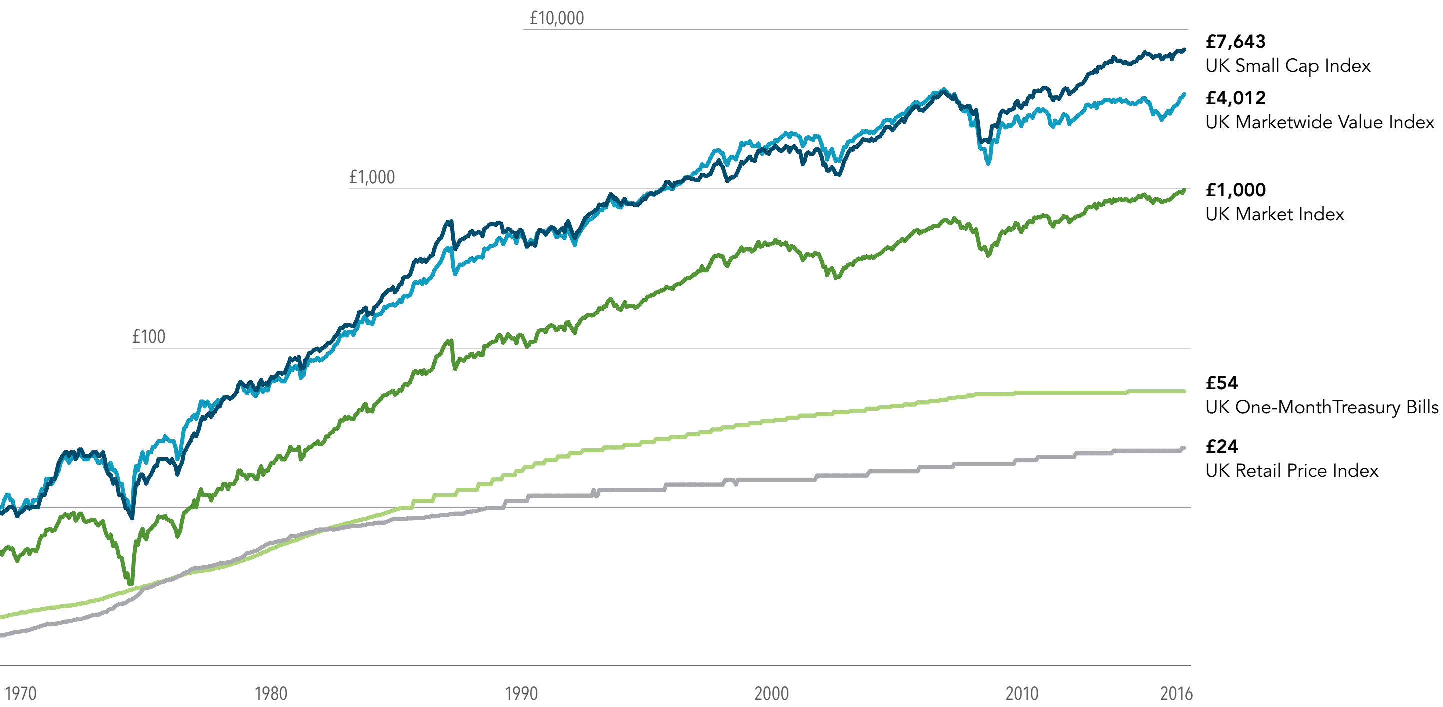
Financial research identifies the sources of investment returns. Dimensional provides the tools and experience to target these sources and help investors achieve their goals.



A Picture of Growth
Investors need look no further than historical performance to see how markets have compensated investors.

GAINING CLARITY

In 1981, Dimensional launched its first strategy, a US small cap strategy, to help institutional investors diversify beyond large cap stocks. The launch coincided with new research documenting the stronger performance of US small company stocks. Our second strategy, a short-term fixed income strategy launched in 1983, applied Professor Eugene Fama's term structure research. Later, a comprehensive analysis of market prices and other research deepened our strategy repertoire and set a new standard for portfolio design. This evolution reflects our abiding belief in the principles of modern finance and the effectiveness of capital markets. Dimensional's portfolios are designed to deliver what the markets offer.



UK Small Cap Index is the Dimensional UK Small Cap Index. UK Value Index is the Dimensional UK Marketwide Value Index. UK Market Index is the Dimensional UK Market Index. T-bills, 1955–1974: UK Three-Month T-bills provided by the London Share Price Database; 1975–present: UK One-Month T-bills provided by the Financial Times. Inflation is the UK Retail Price Index provided by the Office for National Statistics. See "Index Descriptions" in the appendix for descriptions of Dimensional index data.

Past performance is no guarantee of future results. In pound sterling. Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio.

Diversification does not eliminate the risk of market loss.

INVESTMENT DIMENSIONS

We consider a dimension to be a factor that explains differences in returns, demonstrates persistence through time and pervasiveness across markets, and is cost-effective to capture in diversified portfolios. These characteristics increase our confidence that returns observed in historical data may appear in the future. From capital markets research over the past 50 years, we have gained a powerful understanding of the dimensions that generate higher expected returns.

Much of what we have learned can be summarised in simple terms. First, stocks have higher expected returns than bonds. Relative performance among stocks largely depends on company size (small vs. large), relative price (value vs. growth)[1], and profitability (high vs. low)[2]. When setting prices, markets effectively apply different discount rates[3] to stocks to reflect differences in underlying risk. Company size, relative price, and profitability are variables—or dimensions—that allow us to identify differences in these discount rates.

A powerful **way to invest**

In fixed income, two dimensions largely drive relative performance: term and credit. Longer-term bonds are more sensitive than shorter-term bonds to unexpected changes in interest rates. Bonds with lower credit quality have a greater risk of default than bonds with higher credit quality.

By considering how much of each equity and fixed income dimension to target, investors can adjust the total expected return profile of their portfolios and more easily build a strategy to support their investment goals.

STRUCTURE IS THE STRATEGY

Successful investing means not only targeting dimensions that generate higher expected returns, but also managing risks that may needlessly compromise performance. Avoidable risks include holding too few securities, acting on market predictions in areas like interest rate movements, and relying solely on information from third-party analysts or rating services. To all these risks, diversification is an essential countermeasure. It lessens the impact of the random fortunes tied to individual securities and positions an investor to participate in the returns of broad economic forces.

Traditionally, managers do one of two things: They focus on picking individual securities, or they attempt to mimic the performance of arbitrary benchmarks.

Dimensional chooses a different path. We design strategies based on research rather than speculation or the need to track commercial indices. Dimensional builds portfolios along the dimensions that drive expected returns.

Diversification does not ensure a profit or protect against a loss in declining markets.

Dimensions Matter
Dimensions point to systematic differences in expected returns. Portfolios can be structured around these dimensions, which are sensible, backed by data, and cost-effective to capture in diversified portfolios.

EQUITIES

Market
Equity premium – stocks vs bonds

Company Size
Small cap premium – small vs large companies

Relative Price[1]
Value premium – value vs growth companies

Profitability[2]
Profitability premium – high vs low profitability companies

FIXED INCOME

Term
Term premium – longer vs shorter maturity bonds

Credit
Credit premium – lower vs higher credit quality bonds

IMPLEMENTATION CAN MAKE ALL THE DIFFERENCE

Research and structure are the foundation of Dimensional investing. But long-term results depend on our ability to effectively implement strategies in competitive markets.

Implementation has two vital and integrated functions: portfolio management and trading. At Dimensional, a portfolio manager's main focus is to achieve consistent, broadly diversified exposure to the dimensions of higher expected returns while balancing risks, costs, and other tradeoffs that arise when pursuing those dimensions. Our team works continually to keep strategies in line with their objectives while ensuring that changes to a portfolio have meaningful impact on the strategy.

Dimensional also trades differently. Since we are pursuing the systematic performance of broad market dimensions, we can regard securities with similar characteristics as close substitutes for one another. This affords flexibility in what securities to trade and when to trade them, resulting in more negotiating power. By staying patient when others are compelled to buy and sell, Dimensional can keep costs low and seek to improve results.

Dimensional's trading infrastructure, developed over more than three decades, enhances this opportunistic approach to trading. State-of-the-art trading desks around the world give us a formidable presence in financial markets, and such a large scale creates opportunities for cost-effective and lucrative trades.

The result: performance driven by a potent combination of philosophy, process, and execution.

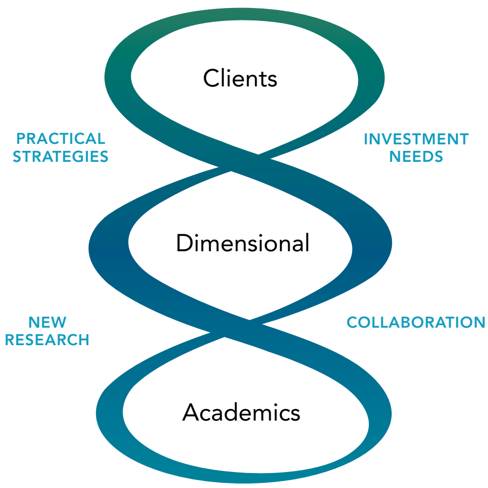
1. Relative Price refers to a company's price, or the market value of its equity, in relation to another measure of economic value, such as book value.
2. Profitability is a company's operating income before depreciation and amortisation minus interest expense scaled by book equity.
3. The discount rate is the interest rate used to discount a stream of expected future cash flows to its price. Higher discount rates indicate higher expected returns.

Meeting **real-world** investment challenges

A RESEARCH-DRIVEN APPROACH

Dimensional collaborates with leading financial academics to identify new ideas that may benefit investors. Our enduring philosophy and close ties to the academic community underpin our investing approach and form the foundation for new strategies.

Dimensional's strategies combine rigorous research into the underlying drivers of returns with efficient execution in complex markets. Our process is applied consistently across all strategies, and these strategies span asset classes and geographies to meet the diverse needs of investors worldwide.

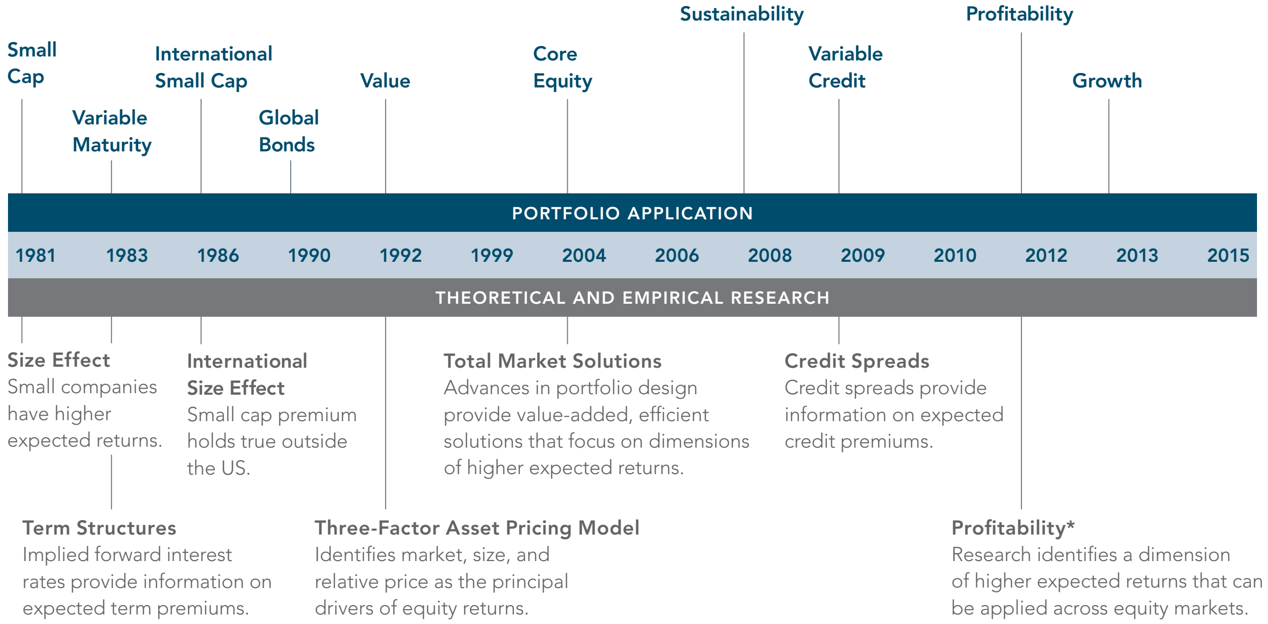


Bringing Research to Practice
Advancements in research and technology inform our investment strategies and help us stay responsive to evolving markets and client needs.

EXAMPLE: CORE STRATEGIES

An example of Dimensional's approach to investing is our core equity strategies. Each one targets stocks across the capitalisation and style segments of a market (large and small, value and growth). But unlike conventional approaches, the strategies do not hold securities in their market-value proportions. We increase the relative weight of securities with higher expected returns, using information in market prices to identify them. Because the strategy architecture is seamlessly integrated and includes a full range of securities, the costs normally associated with rebalancing multiple portfolios are greatly reduced.

Academic Research Applied
Since 1981, Dimensional has incorporated rigorous academic research on the capital markets into the design, management, and implementation of our clients' portfolios.



* Profitability is a company's operating income before depreciation and amortisation minus interest expense scaled by book equity.

FUNDAMENTAL TO YOUR FINANCIAL PLAN

A financial plan based on the science of investing frees you to focus on what matters. Let markets work for you by taking advantage of sensible, well-diversified, low-cost portfolios backed by decades of research and practical experience. Your financial adviser can help create an investment plan for you.

For more information on investing with Dimensional, visit us online at dimensional.com.

IF YOU ARE A RETAIL INVESTOR THIS DOCUMENT HAS BEEN PROVIDED TO YOU BY YOUR FINANCIAL ADVISER, WHO CAN HELP EXPLAIN ITS CONTENTS.

Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. For the 59 years from 1956 to 2015, the compound annual growth rate of return was 14.53% for the Value Index, 15.74% for the Small Cap Index, 11.91% for the Broad Market Index, 6.87% for Treasury bills (T-bills), and 5.37% for Inflation (RPI).

Dimensional UK Small Cap Index: January 1994–present: Compiled from Bloomberg securities data. Market capitalisation-weighted index of small company securities in the eligible markets excluding those with the lowest profitability and highest relative price within the small cap universe. Profitability is measured as operating income before depreciation and amortisation minus interest expense scaled by book. Exclusions: REITs and investment companies. The index has been retroactively calculated by Dimensional Fund Advisors and did not exist prior to April 2008. The calculation methodology for the Dimensional UK Small Cap Index was amended in January 2014 to include direct profitability as a factor in selecting securities for inclusion in the index. July 1981–December 1993: Includes securities in the bottom 10% of market capitalisation, excluding the bottom 1%. Rebalanced semiannually. January 1970–June 1981: Elroy Dimson and Paul Marsh, Hoare Govett Smaller Companies Index 2009, ABN-AMRO / Royal Bank of Scotland, January 2009.

Dimensional UK Value Index: January 1994–present: Compiled from Bloomberg securities data. The index consists of companies whose relative price is in the bottom 33% of their country's companies after the exclusion of utilities and companies with either negative or missing relative price data. The index emphasises companies with smaller capitalisation, lower relative price and higher profitability. The index also excludes those companies with the lowest profitability and highest relative price within their country's value universe. Profitability is measured as operating income before depreciation and amortisation minus interest expense scaled by book. Exclusions: REITs and investment companies. The index has been retroactively calculated by Dimensional Fund Advisors and did not exist prior to April 2008. The calculation methodology for the Dimensional UK Value Index was amended in January 2014 to include direct profitability as a factor in selecting securities for inclusion in the index. July 1955–December 1993: Source: Elroy Dimson, Stefan Nagel and Garrett Quigley "Capturing the value premium in the UK", Financial Analysts Journal 2003, 59(6): 35–45. Created Returns, converted from GBP to USD using the WM/Reuters at 4 pm EST (closing spot), from PFPC exchange rate.

Dimensional UK Market Index: Compiled by Dimensional from Bloomberg securities data. Market capitalization-weighted index of all securities in the United Kingdom. Exclusions: REITs and investment companies. The index has been retroactively calculated by Dimensional and did not exist prior to April 2008.

UK One-Month Treasury Bills: January 1975–present: UK One-Month Treasury Bills provided by the Financial Times Limited. January 1955–December 1974: UK Three-Month Treasury Bills provided by the London Share Price Database.

UK Retail Price Index: UK Retail Price Index provided by the Office for National Statistics; Crown copyright material is reproduced with the permission of the Controller of HMSO.

Issued by Dimensional Fund Advisors Ltd. (DFAL), 20 Triton Street, Regent's Place, London, NW1 3BF. DFAL is authorised and regulated by the Financial Conduct Authority (FCA).

DFAL does not give financial advice. You are responsible for deciding whether an investment is suitable for your personal circumstances, and we recommend that a financial adviser helps you with that decision.

This document is provided for information purposes and intended for your use only. It does not constitute an invitation or offer to subscribe for or purchase any of the products or services mentioned. It is the responsibility of any persons wishing to make a purchase to inform themselves of and observe all applicable laws and regulations. Any entity responsible for forwarding this material to other parties takes responsibility for ensuring compliance with all financial promotion laws, rules and regulations. It is not intended to provide a sufficient basis on which to make an investment decision. Information and opinions presented in this material have been obtained or derived from sources believed by DFAL to be reliable, but DFAL makes no representation as to their accuracy or completeness. DFAL has reasonable grounds to believe that all factual information herein is true as at the date of this document. DFAL accepts no liability for loss arising from the use of this material.

DFAL issues information and materials in English and may also issue information and materials in certain other languages. The recipient's continued acceptance of information and materials from DFAL will constitute the recipient's consent to be provided with such information and materials, where relevant, in more than one language.

"Dimensional" refers to the Dimensional separate but affiliated entities generally, rather than to 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., and Dimensional Japan Ltd.

RISKS

Investments involve risks. The investment return and principal value of an investment may fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original value. Past performance is not a guarantee of future results. There is no guarantee strategies will be successful.

AMERICAS
Austin, Charlotte, Santa Monica, Toronto, Vancouver

EUROPE
London, Amsterdam, Berlin

ASIA PACIFIC
Sydney, Melbourne, Singapore, Tokyo

dimensional.com

Dimensional

RM 55430 12/17