
Transforming lives through
FINANCIAL SCIENCE

Dimensional Investing is about implementing the great ideas in finance for our clients

Dimensional at a glance as of December 31, 2019, in USD

38

YEARS SINCE
FOUNDING

\$609B

ASSETS UNDER
MANAGEMENT

1,400+

EMPLOYEES IN
13 GLOBAL OFFICES

One

INVESTMENT
PHILOSOPHY

A foundation built on academic research

“At Dimensional, we don’t jump on every new idea that comes along. We’re looking for what will stand up over a long period of time.”

EUGENE FAMA

Nobel laureate, 2013
Professor, University of Chicago
Dimensional Director and Consultant

“Our goal is to inform, not justify, how Dimensional uses the research that we and other academics have discovered.”

KENNETH FRENCH

Professor, Dartmouth College
Dimensional Director, Consultant, and
Co-Chair of the Investment Research Committee

“It’s 10% having a good idea and 90% implementing that idea and making it work. Dimensional has been making it work for decades.”

ROBERT MERTON

Nobel laureate, 1997
Professor, MIT
Dimensional Resident Scientist

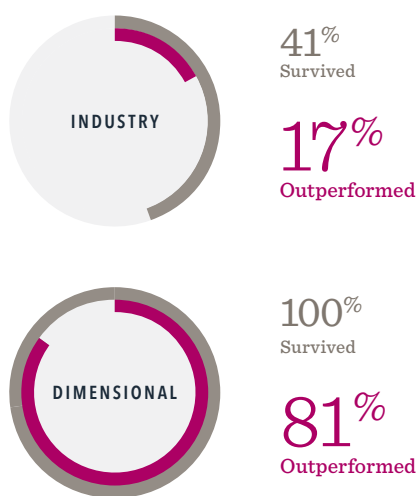
An enduring belief in the power of markets

At Dimensional, our investment approach is based on a belief in markets. Rather than attempting to predict the future or outguess others, we draw information about expected returns from the market itself—leveraging the collective knowledge of millions of buyers and sellers as they set security prices.

Trusting markets to do what they do best—drive information into prices—frees us to spend time where we believe we have an advantage, namely in how we interpret the research, how we design and manage portfolios, and how we serve our clients. We take a less subjective, more systematic approach to investing—an approach we can implement consistently and investors can understand and stick with, even in challenging market environments.

How many funds survived and outperformed?

Over the 20-year period ending December 31, 2019



Among equity and fixed income funds that were operating at the start of 2000, 41% stayed in business (survived) over the following 20 years, and 17% outperformed their benchmarks. For comparison, 100% of Dimensional funds, available at the beginning of the period, survived over the period, and 81% outperformed their benchmarks.

Applying insights from financial science

Dimensional's investment approach is grounded in economic theory and backed by decades of empirical research. Our internal team of researchers works closely with leading financial economists to better understand where returns come from.

Research has shown that securities offering higher expected returns share certain characteristics, which we call dimensions. We structure broadly diversified portfolios that emphasize these dimensions, while addressing the tradeoffs that arise when executing portfolios.

Every day, our portfolio managers and traders seek to balance costs against expected returns and diversification. We work for the slightest expected gain, as every incremental improvement can add up over time.

Pursuing a better investment experience

Dimensional Investing is about providing a successful investment experience. That means more than just returns. It means offering peace of mind because investors know that a transparent process backed by decades of research is powering every decision. For more than 35 years, we've seen the difference our approach has made in people's lives. Our goal is to help people live better—not just years from now, but today.

To learn more about Dimensional Investing,
please visit dimensional.com

Exhibit: How many funds survived and outperformed?

The figures are drawn from a selected universe of industry and Dimensional funds available in the US. Performance data shown represents past performance and is no guarantee of future results. Indices are not available for direct investment. Their performance does not reflect fees and expenses associated with an actual portfolio. US-domiciled, USD-denominated, non-Dimensional open-end mutual fund data is from Morningstar. Dimensional fund data is provided by the fund accountant. Beginning sample includes funds as of January 1, 2000. The number of beginning funds is 4,601 for the industry and 27 for Dimensional. Funds that are currently and were previously restricted to LWI Financial Inc. clients were excluded due to different historical fee structures. Dimensional subadvised funds are also excluded. Dimensional funds are evaluated relative to their prospectus benchmark, and each industry fund is evaluated relative to its respective primary prospectus benchmark. Surviving funds are those with return observations for every month of the evaluation period. Outperformers are funds that survived the 20-year period and whose cumulative net return over the period exceeded that of their respective benchmark. Where the full series of primary prospectus benchmark returns is unavailable, non-Dimensional funds are instead evaluated relative to their Morningstar category index. Index funds and funds of funds are excluded from the industry sample. Load-Waived funds are excluded from the sample. The return for funds with multiple share classes is taken as the asset-weighted average of the individual share class observations.

Equity fund sample includes the Morningstar historical categories: Diversified Emerging Markets, Europe Stock, Foreign Large Blend, Foreign Large Growth, Foreign Large Value, Foreign Small/Mid Blend, Foreign Small/Mid Growth, Foreign Small/Mid Value, Global Real Estate, Japan Stock, Large Blend, Large Growth, Large Value, Mid-Cap Blend, Mid-Cap Growth, Mid-Cap Value, Miscellaneous Region, Pacific/Asia ex-Japan Stock, Real Estate, Small Blend, Small Growth, Small Value, World Large Stock, and World Small/Mid Stock. Fixed income fund sample includes the Morningstar historical categories: Corporate Bond, High Yield Bond, Inflation-Protected Bond, Intermediate Core Bond, Intermediate Core-Plus Bond, Intermediate Government, Long Government, Muni California Intermediate, Muni California Long, Muni Massachusetts, Muni Minnesota, Muni National Intermediate, Muni National Long, Muni National Short, Muni New Jersey, Muni New York Intermediate, Muni New York Long, Muni Ohio, Muni Pennsylvania, Muni Single State Intermediate, Muni Single State Long, Muni Single State Short, Muni Target Maturity, Short Government, Short-Term Bond, Target Maturity, Ultrashort Bond, World Bond, and World Bond-USD Hedged. Additional information regarding Morningstar's historical categories is available from Dimensional upon request. For further methodology details, see the *Mutual Fund Landscape* brochure.

Investing involves risks, including possible loss of principal. There is no guarantee that any strategy will be successful or that any investment objective will be met. Diversification does not assure a profit or protect against loss.

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