Fi360

Fi360

Leveraging Technology to Scale Fiduciary Processes

March 21, 2019

John Faustino, AIFA®, PPC®
Chief Product and Strategy Officer , Fi360

Christine Lubienieki, CFA
Regional Director, Dimensional Fund Advisors

Benjamin Thomason
EVP Sales and Relationships, Vestwell

Mitch Mitchell
CSM Team Manager

Fi360

Agenda

- Challenge in scaling fiduciary processes
- Rational for including panelists
- Panelist comments
  - Vestwell
  - DFA
  - Riskalyze
- Summary
- Q&A

Fi360

Challenge in Scaling Fiduciary Processes

- Fiduciaries bound by duties of LOYALTY and CARE

LOYALTY
- Serve clients best interests
- Act in good faith
- Manage conflicts appropriately

CARE
- Be competent
- Demonstrate good judgement
- Exhibit knowledge and competence
- Document activities

Fi360

Challenge in Scaling Fiduciary Processes - Duty of Care: Human Effort

- Human involvement required for duty of CARE cited by many critics of fiduciary standard

Fi360

Challenge in Scaling Fiduciary Processes - Duty of Loyalty: Conflicts

- Need to balance data/tool sources in the context of conflicts

Fi360

Challenge in Scaling Fiduciary Processes - Conflicts: Practical Implications

- Target Date Fund Example

Popular/Newer Target Date Tool Providers:

JP Morgan – Compass

American Funds – Target Date Proview

Principal – Target Date Analyzer

American Century – Target Date Risk Dashboard

BlackRock – Target Date Explorer

Fi360

Rationale for Including Panelists - Vestwell

- Success integrating popular third-parties in their platform (workflow benefits) and creating automated processes .
- Partners include Riskalyze, Morningstar Investment Management, Namely, BNY Mellon, Allianz, and Dimensional Fund Advisors, and Fi360

Rationale for Including Panelists - Dimensional Fund Advisors

- Methodologies Grounded in Modern Portfolio Theory
- Ranked #2 in 2019 Software Survey by Joel Bruckenstein and Bob Veres for Economic Analysis and Stress Testing Tools

Fi360

Rationale for Including Panelists - Riskalyze

- Risk Tolerance Instrument leader in 2019 Software Survey by Joel Bruckenstein and Bob Veres
- Success helping advisors gather assets

Identifying Inefficiencies Ripe for Automation

1. Client Reporting - Manual processes must be identified and removed
    - Consolidating multi-recordkepeer data into plan sponsor reporting tools
    - Preparing participant Retirement Income Readiness reports with direct data feeds, not manual entry
2. Multiple Recordkeeper Relationships - Too many idiosyncrasies
    - Proprietary Administrative Protocols
    - Monitoring 100+ funds across multiple platforms - especially non-traditional investment vehicles
    - Managing Relationship Managers at various recordkeepers
3. Multiple Payroll/Year-End Compliance Function - Avoiding unnecessary headaches
4. Burdensome RFP Process - Minimizing the Recordkeeper rodeo
    - Bringing 5 recordkeepers into a bid is wasteful and burdensome - the juice isn't worth the squeeze
    - For better or worse, advisors need to segment their business and pick a preferred provider for that segment

Leveraging Technology to Enhance, Not Replace, Your Practice

1. Streamlined reporting
2. Integrated payroll
3. Proposal generators
4. Automated fund replacement
5. Consolidated advisor reporting (viewing all funds in one place)

Dimensional Fund Advisors

- Christine Lubieniecki CFA, Regional Director

Our Commitment to the Client Experience

Lead with solutions and education, not products.

Offer an approach people can stick with, even in tough times.

Advocate that when investors win, everybody wins.

#67118-1118

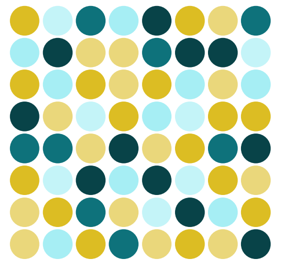
A Different View of Markets

Track
the Market

TRADITIONAL INDEXERS

Focus on matching the returns of an index, restricting which securities to hold and when to trade.

Outguess
the Market



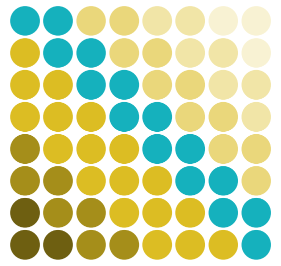
STOCK PICKERS AND QUANTITATIVE MANAGERS

Rely on predictions and/or backtested simulations to find mispricing or time markets.

> "You don't have to outguess the market to beat it."

David Booth

Start with
the Market



DIMENSIONAL

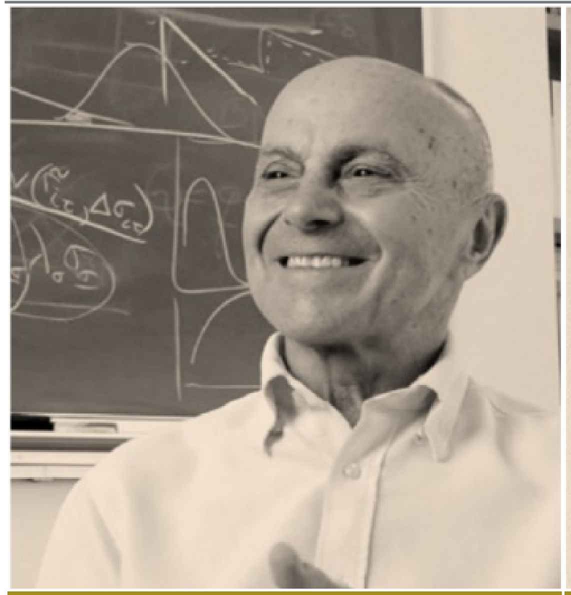
Draws insights from empirical research to emphasize areas of the market with higher expected returns.

Adds value through implementation that has been tested, repeated, and refined for more than three decades.

#67118-1118

A Heritage of Leading Research

The bar for research at Dimensional has been set by the best in the field



Eugene Fama

University of Chicago

Dimensional Director and Consultant, Dimensional,[1] 1981–present

Kenneth French

Dartmouth College

Consultant, Dimensional,[1] 1986–present

Co-Chair of the Investment Research Committee, Dimensional,[1] 2006–present

Dimensional Director, 2006–present

Robert Merton

MIT

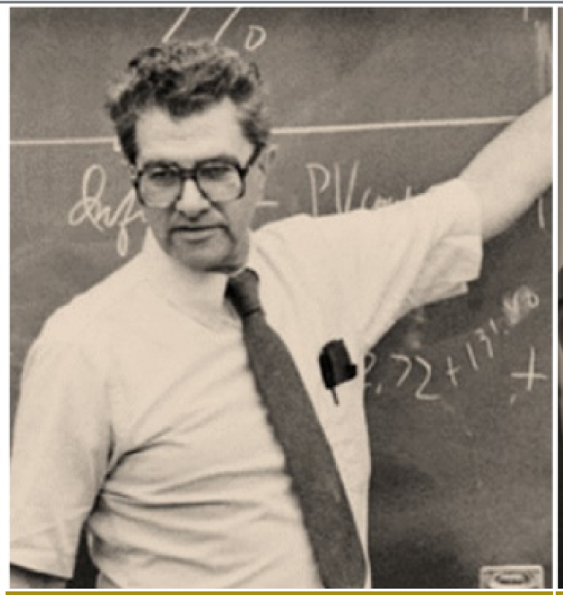
Director, Dimensional US Mutual Funds, 2003–2009

Resident Scientist, Dimensional Holdings Inc., 2010–present

Robert Novy-Marx

University of Rochester

Consultant, Dimensional,[1] 2014–present



Merton Miller

University of Chicago

Independent Director, Dimensional US Mutual Funds, 1981–2000

Myron Scholes

Stanford University

Independent Director, Dimensional US Mutual Funds, 1981–present

> “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

1. Dimensional Fund Advisors LP.
"Dimensional Directors" refers to the Board of Directors of the general partner of Dimensional Fund Advisors LP, an affiliate of Dimensional Fund Advisors Canada ULC.

Dimensional Funds

Equity Strategies

MARKETWIDE

TOTAL MARKET
- Emerging Markets Core Equity
- Global Equity
- International Core Equity
- International Vector Equity
- Selectively Hedged Global Equity
- US Core Equity 1
- US Core Equity 2
- US Vector Equity
- World Core Equity
- World ex US Core Equity

LARGE CAP
- Emerging Markets
- Enhanced US Large Company
- Large Cap International
- US Large Cap Equity
- US Large Company

SPECIALIZED
- Emerging Markets Social Core Equity
- Emerging Markets Sustainability Core 1
- International Social Core Equity
- International Sustainability Core 1
- US Social Core Equity 2
- US Sustainability Core 1

TAX MANAGEMENT
- TA US Core Equity 2
- TA World ex US Core Equity
- Tax-Managed US Equity

COMPONENT

GLOBAL
- Global Small Company
- World ex US Targeted Value
- World ex US Value

US
- US Large Cap Growth
- US Large Cap Value
- US High Relative Profitability Portfolio
- US Micro Cap
- US Small Cap
- US Small Cap Growth
- US Small Cap Value
- US Targeted Value

DEVELOPED EX US
- International Large Cap Growth
- International High Relative Profitability Portfolio
- International Small Cap Growth
- International Small Cap Value
- International Small Company
- International Value

EMERGING MARKETS
- Emerging Markets Small Cap
- Emerging Markets Value

TAX MANAGEMENT
- Tax-Managed International Value
- Tax-Managed US Marketwide Value
- Tax-Managed US Small Cap
- Tax-Managed US Targeted Value

Fixed Income Strategies

ULTRA-SHORT-TERM
- One-Year Fixed Income

SHORT-TERM
- CA Short-Term Municipal Bond
- Selectively Hedged Global Fixed Income
- Short-Duration Real Return
- Short-Term Extended Quality
- Short-Term Government
- Short-Term Municipal Bond
- Two-Year Fixed Income
- Two-Year Global Fixed Income
- Two-Year Government

INTERMEDIATE OR LONGER
- CA Intermediate Municipal Bond
- CA Municipal Real Return Portfolio
- Diversified Fixed Income Portfolio
- Five-Year Global Fixed Income
- Global Core Plus Fixed Income
- Global Sustainability Fixed Income
- Inflation Protected Securities
- Intermediate Govt. Fixed Income
- Intermediate-Term Extended Quality
- Intermediate-Term Municipal Bond
- Investment Grade Portfolio
- MN Municipal Bond
- Municipal Bond
- Municipal Real Return
- NY Municipal Bond
- Social Fixed Income
- Targeted Credit
- World ex-US Govt. Fixed Income

Balanced and Additional Strategies

BALANCED
- Global Allocation 25/75
- Global Allocation 60/40

ADDITIONAL
- Commodity Strategy
- Global Real Estate Securities
- International Real Estate Securities
- Real Estate Securities

Target Date Retirement Income Strategies

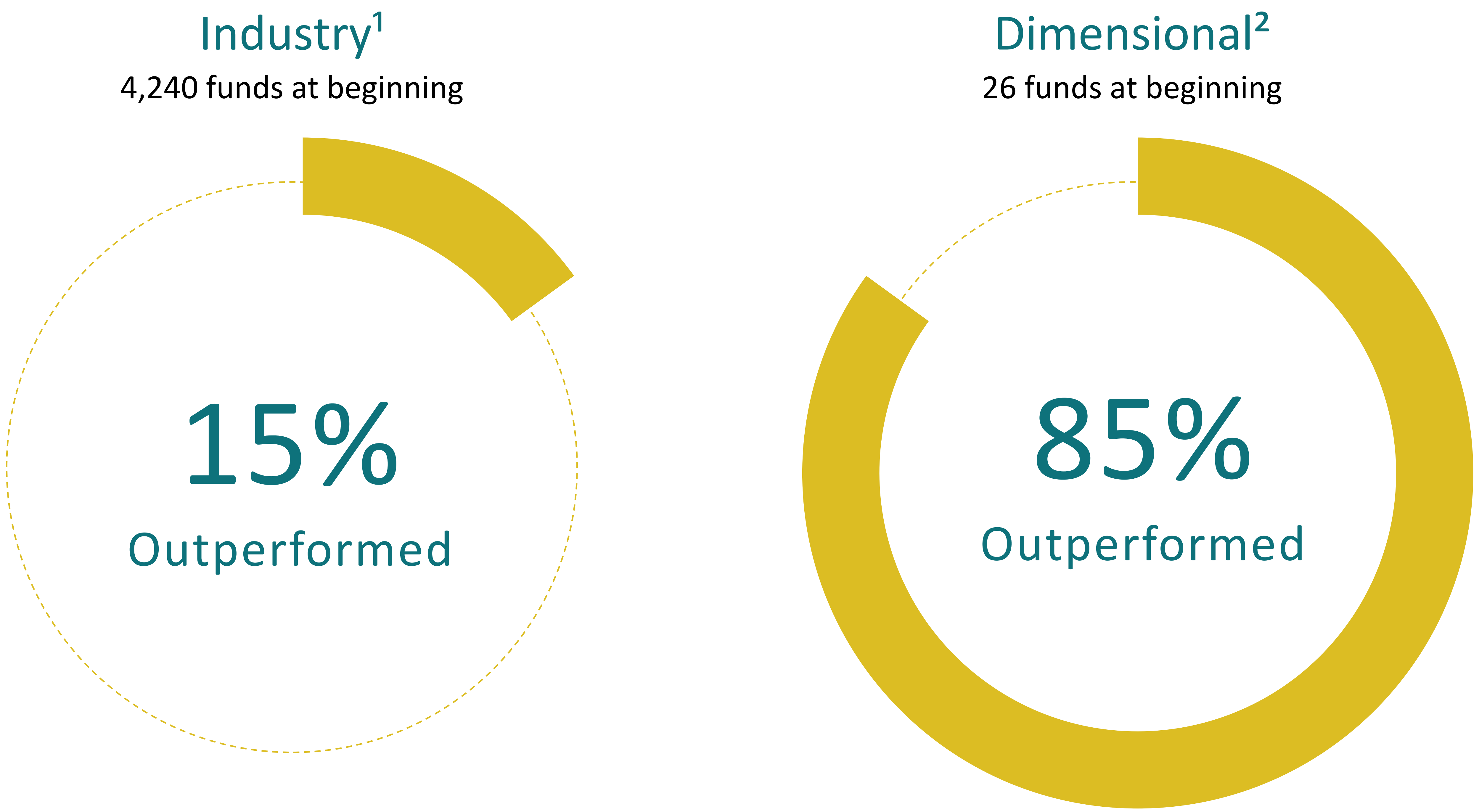
- Dimensional Retirement Income Fund
- 2005 Target Date Retirement Income Fund
- 2010 Target Date Retirement Income Fund
- 2015 Target Date Retirement Income Fund
- 2020 Target Date Retirement Income Fund
- 2025 Target Date Retirement Income Fund
- 2030 Target Date Retirement Income Fund
- 2035 Target Date Retirement Income Fund
- 2040 Target Date Retirement Income Fund
- 2045 Target Date Retirement Income Fund
- 2050 Target Date Retirement Income Fund
- 2055 Target Date Retirement Income Fund
- 2060 Target Date Retirement Income Fund

As of November 8, 2018.

#64817-0518

Dimensional vs. the Industry

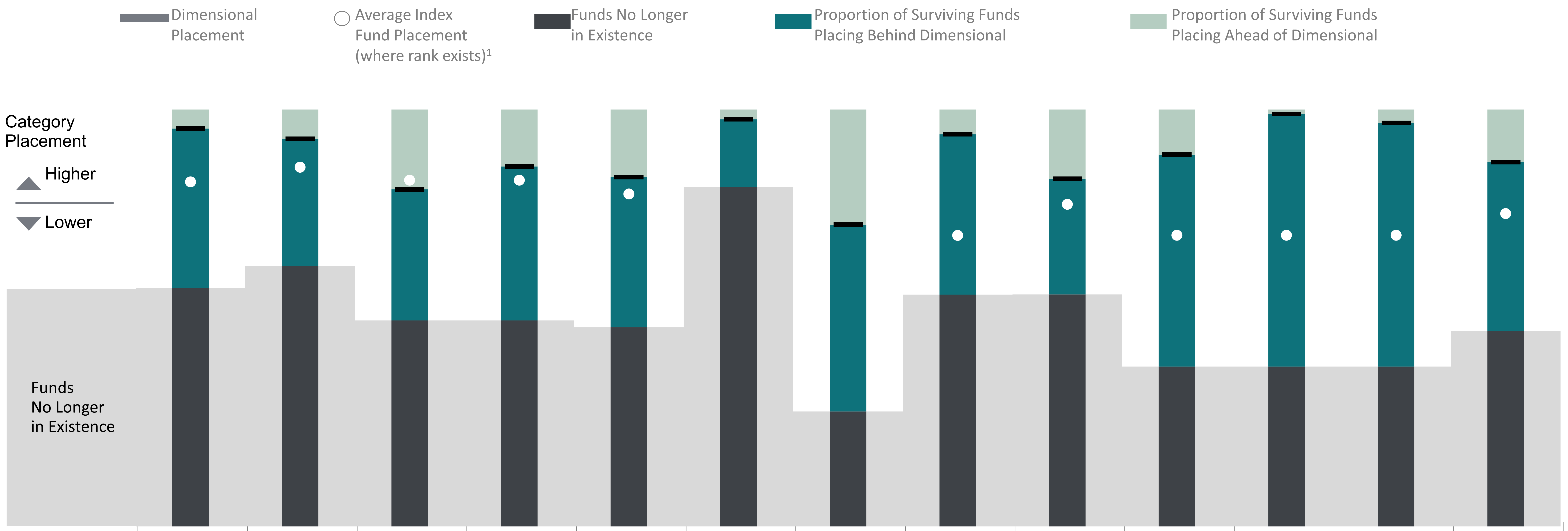
Percentage of US equity and fixed income mutual funds that outperformed benchmarks, 1999–2018



Performance data shown represents past performance and is no guarantee of future results.

Evaluating Dimensional Across Strategies

Flagship equity funds, relative 15-year performance as of December 31, 2018



Dimensional Fund Name	US Large Cap Value Portfolio I	US Large Company Portfolio	US Micro Cap Portfolio I	US Small Cap Portfolio I	US Small Cap Value Portfolio I	International Small Cap Value Portfolio I	International Small Company Portfolio I	International Value Portfolio I	Large Cap International Portfolio I	Emerging Markets Portfolio I	Emerging Markets Small Cap Portfolio I	Emerging Markets Value Portfolio I	Real Estate Securities Portfolio I
Dimensional Placement/ Number of Funds at Start	47/ 1,008	100/ 1,408	85/ 440	61/ 440	41/ 248	2/ 44	9/ 30	11/ 170	76/ 452	21/ 186	3/ 186	7/ 186	23/ 176

1. Average Index Fund Placement is provided where index fund(s) with a 15-year Morningstar Total Return Absolute Rank exist in the category as of December 31, 2018.

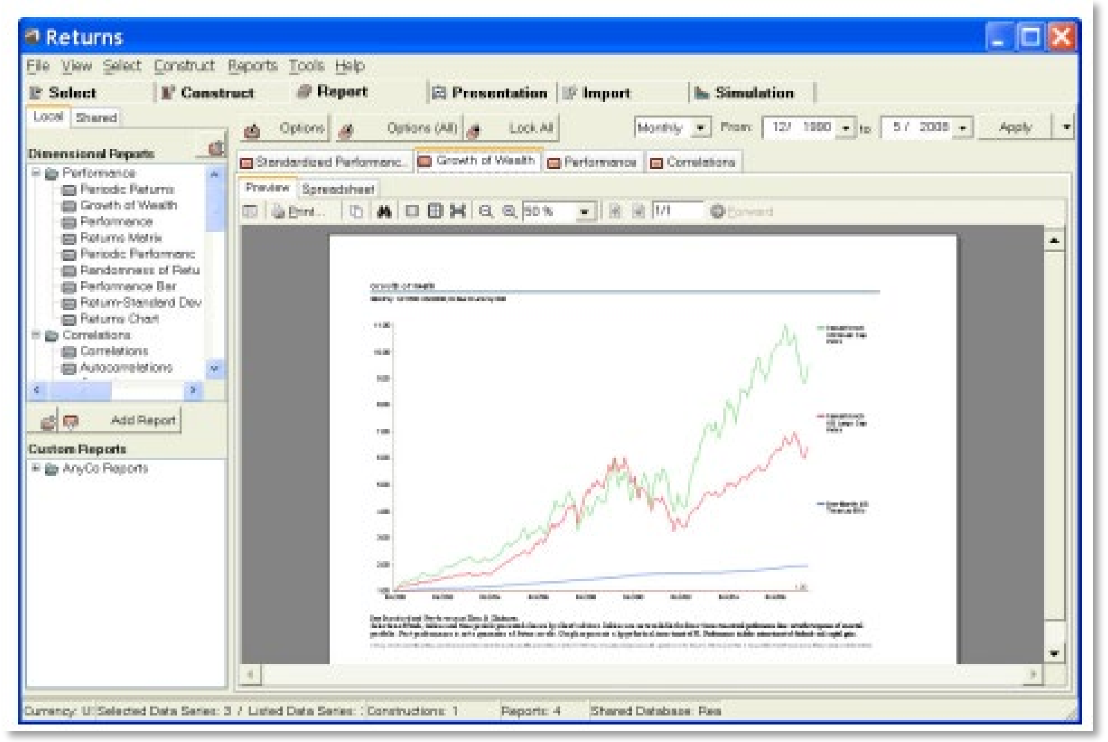
Dimensional placement is the Morningstar 15-Year Total Return Absolute Category Rank sourced from Morningstar. Number of funds starting the period is the number of share classes, within the respective Morningstar Category, with return histories as of the start of the 15-year period ending December 31, 2018. The Morningstar category data is provided at the individual fund share class level. Multiple share classes of a fund typically have a common portfolio but impose different expense structures. Proportion of Surviving Funds Placing Ahead (Behind) of Dimensional is the proportion of ranked funds with a higher (lower) Morningstar 15-Year Total Return Absolute Category Rank than the corresponding Dimensional fund. The Average Index Fund Placement is the average, as determined by Dimensional, of the Morningstar 15-Year Total Return Absolute Category Rank for index funds within the respective Morningstar category as of December 31, 2018. All funds are US-domiciled. **Funds may have experienced negative performance over the time period. Past performance is no guarantee of future results. Visit us.dimensional.com for standardized performance information for Dimensional's funds. See "Relative Performance for Standardized Periods" in the appendix for further information.**

#67118-1118

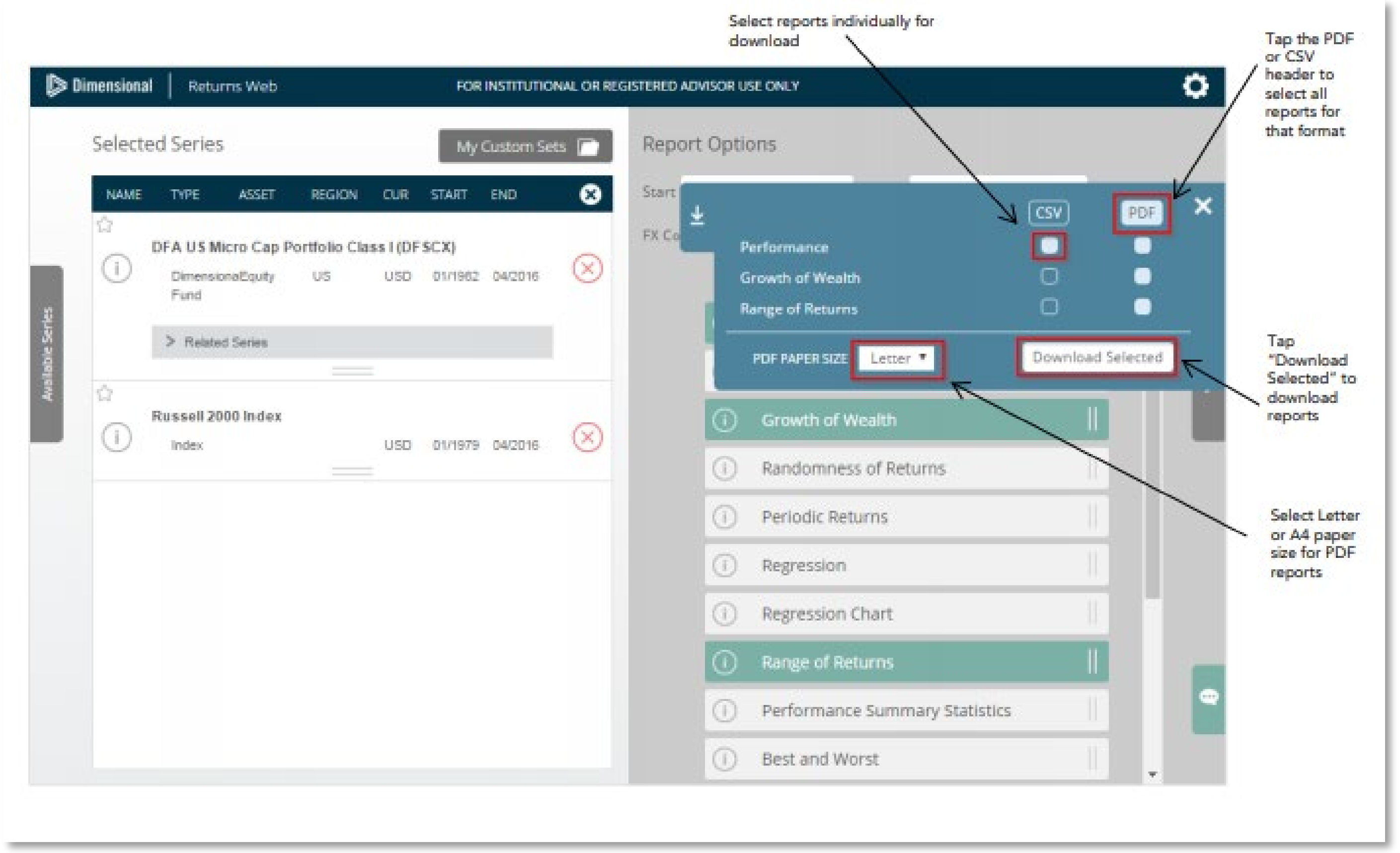
Tools

The Evolution of the Returns Program

Dimensional Returns

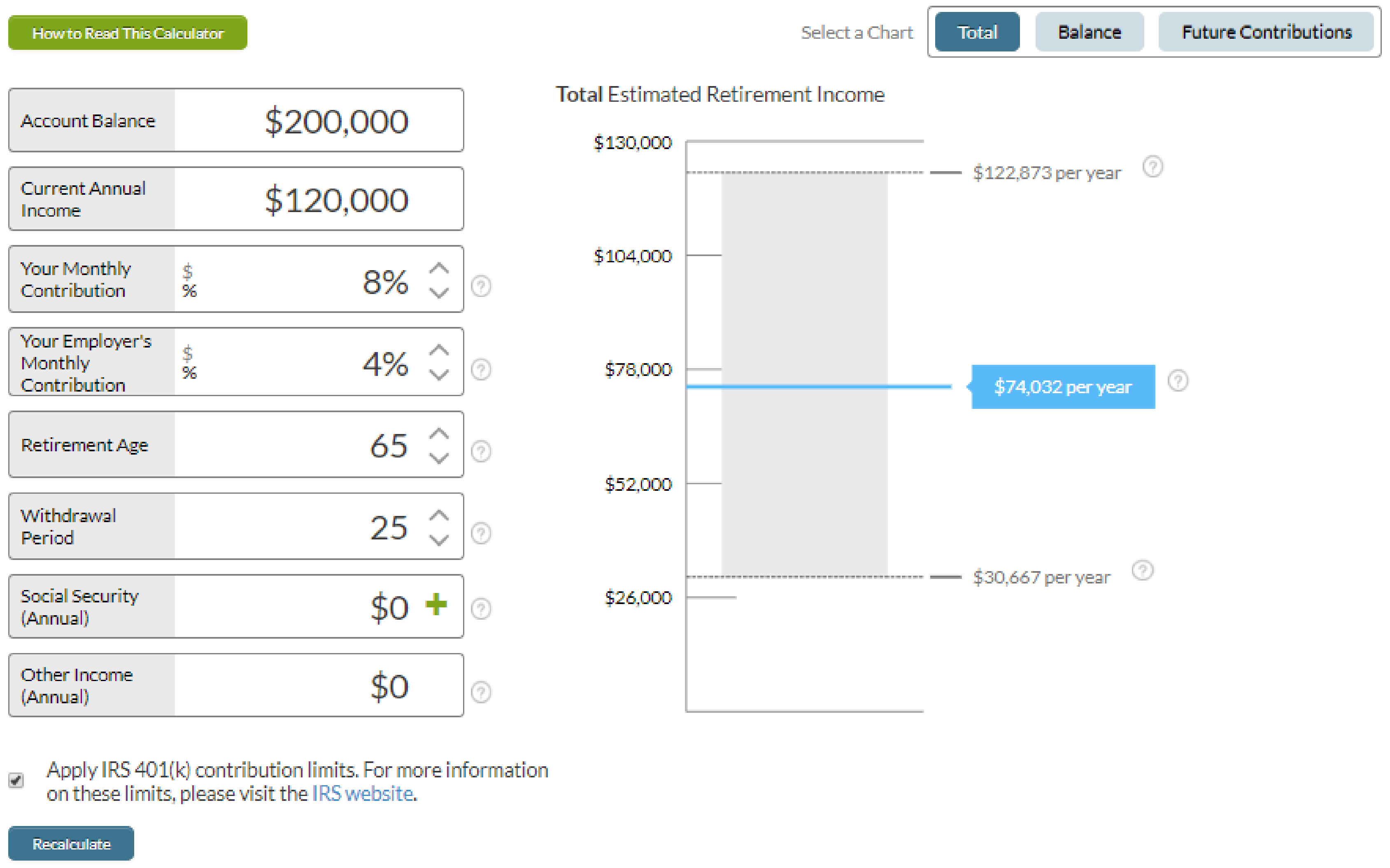


Returns Web



My Retirement Income Calculator

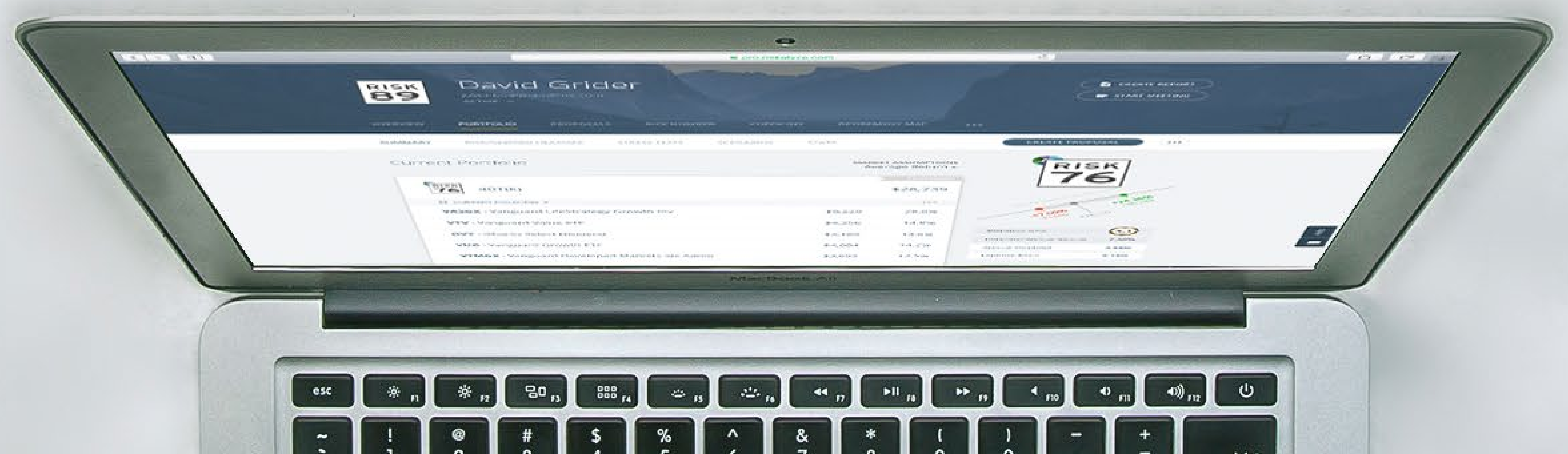
This calculator is designed to help give you a sense of how much income your savings may provide in retirement based on several inputs and an assumed asset allocation that shifts over time.



For illustrative purposes only.

riskalyze

Why did you become an advisor?

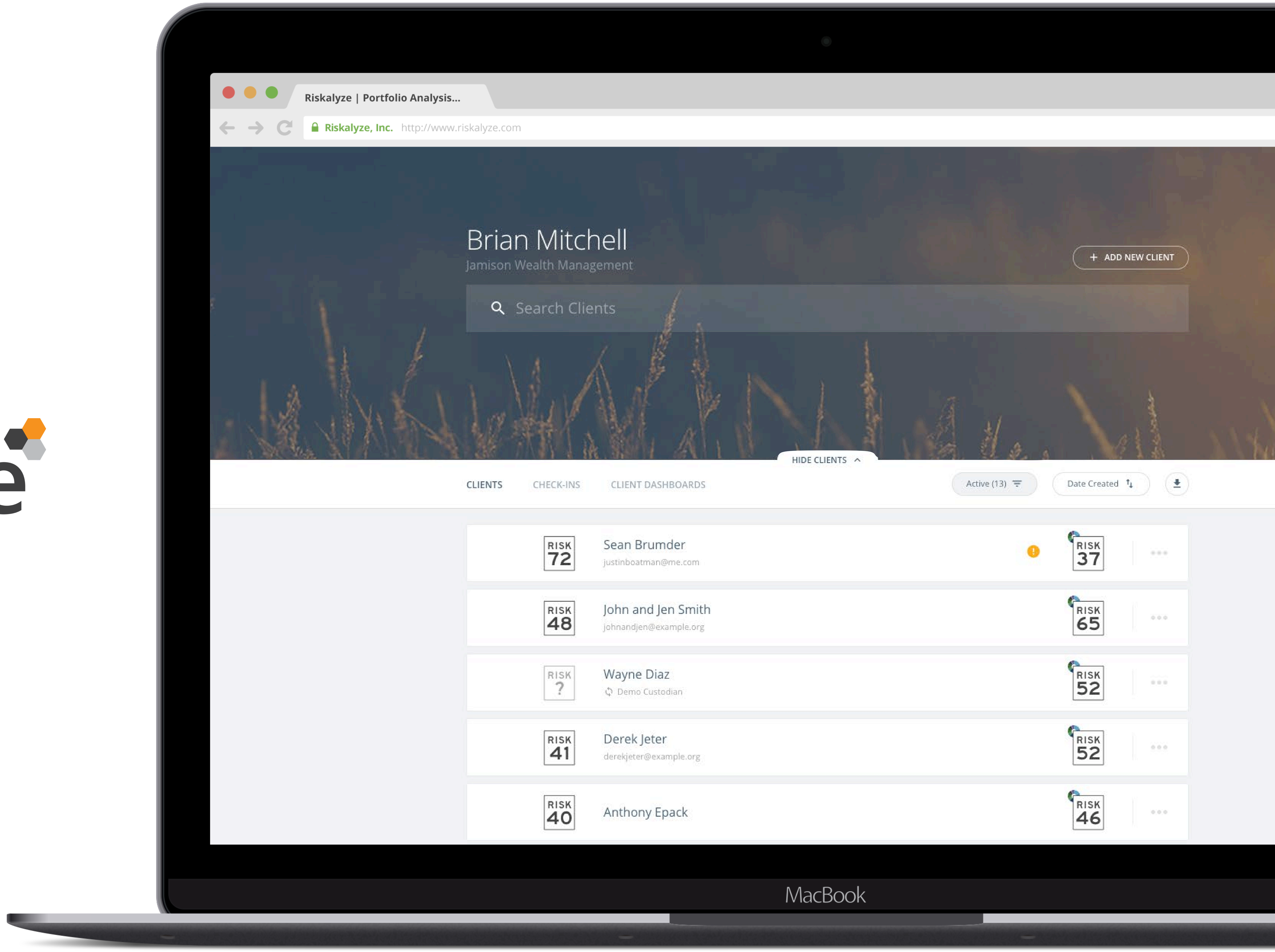


What are the greatest challenges facing advisors and fiduciaries?

INVESTING FEELS BROKEN TO THE AVERAGE INVESTOR

INVESTORS SABOTAGE DREAMS WITH FEAR-BASED, SHORT-TERM DECISIONS

BEING A FIDUCIARY CAN FEEL LIKE A RACE TO THE BOTTOM



Riskalyze | Portfolio Analysis...
Riskalyze, Inc. http://www.riskalyze.com
Brian Mitchell
Jamison Wealth Management
+ ADD NEW CLIENT
Search Clients
HIDE CLIENTS
CLIENTS
CHECK-INS
CLIENT DASHBOARDS
Active (13)
Date Created
RISK 72
Sean Brumder
justinboatman@me.com
RISK 37
RISK 48
John and Jen Smith
johnandjen@example.org
RISK 65
RISK ?
Wayne Diaz
Demo Custodian
RISK 52
RISK 41
Derek Jeter
derekjeter@example.org
RISK 52
RISK 40
Anthony Epack
RISK 46
MacBook

RISK
40

95% PROBABILITY (6 MONTHS)

-7%
-$158,472

$2,292,045

+11%
+$262,531

CLIENTS
RETIREMENT PLANS
MODELS
AUTOPILOT
ALL CLIENTS
Risk Tolerance
RISK 42
Doug Lip
PROSPECT
CREATE REPORT
START MEETING
OVERVIEW
PORTFOLIO
PROPOSALS
RISK NUMBER
CHECK-INS
RETIREMENT MAP
Portfolio Risk
RISK 68
Current Portfolio
$2,282,045 • 2 ACCOUNTS
Riskalyze GPA 2.4
Potential Annual Return 0.50%
Annual Dividend 2.04%
Expense Ratio 0.08%
48% STOCKS
11% BONDS
RISK 41
Proposed Portfolio
$2,282,046 • 2 ACCOUNTS
Riskalyze GPA 4.1
Potential Annual Return 5.26%
Annual Dividend 2.80%
Expense Ratio 0.60%
37% STOCKS
52% BONDS
Proposed Risk
Retirement Map
LAST UPDATED ON INVALID DATE
2035 RETIREMENT YEAR
95% PROBABILITY
$3.0M
$2.0M
$1.0M
2017
2029
2040
2051
Risk Capacity

How to be a fiduciary at scale

No longer can advisors simply ***act*** in the best interest of clients. Now they must be able to ***prove*** it.

Fiduciary Checklist

- ☑ Document your process that is the basis for your advice with objectivity.
- ☑ Prove that you know your clients' investments.
- ☑ Manage each client's individual portfolio.
- ☑ Document rationality behind trading activity (or lack thereof).
- ☑ Document annual reviews.

Models

ACTIVE DRAFTS PARTNER STORE

Search

ADD NEW MODEL

My Models

RISK 24	Mitchell Conservative + ADD TAG	
RISK 37	Mitchell Moderate + ADD TAG	
RISK 45	Mitchell Moderate Growth + ADD TAG	
RISK 52	Mitchell Agressive Growth + ADD TAG	

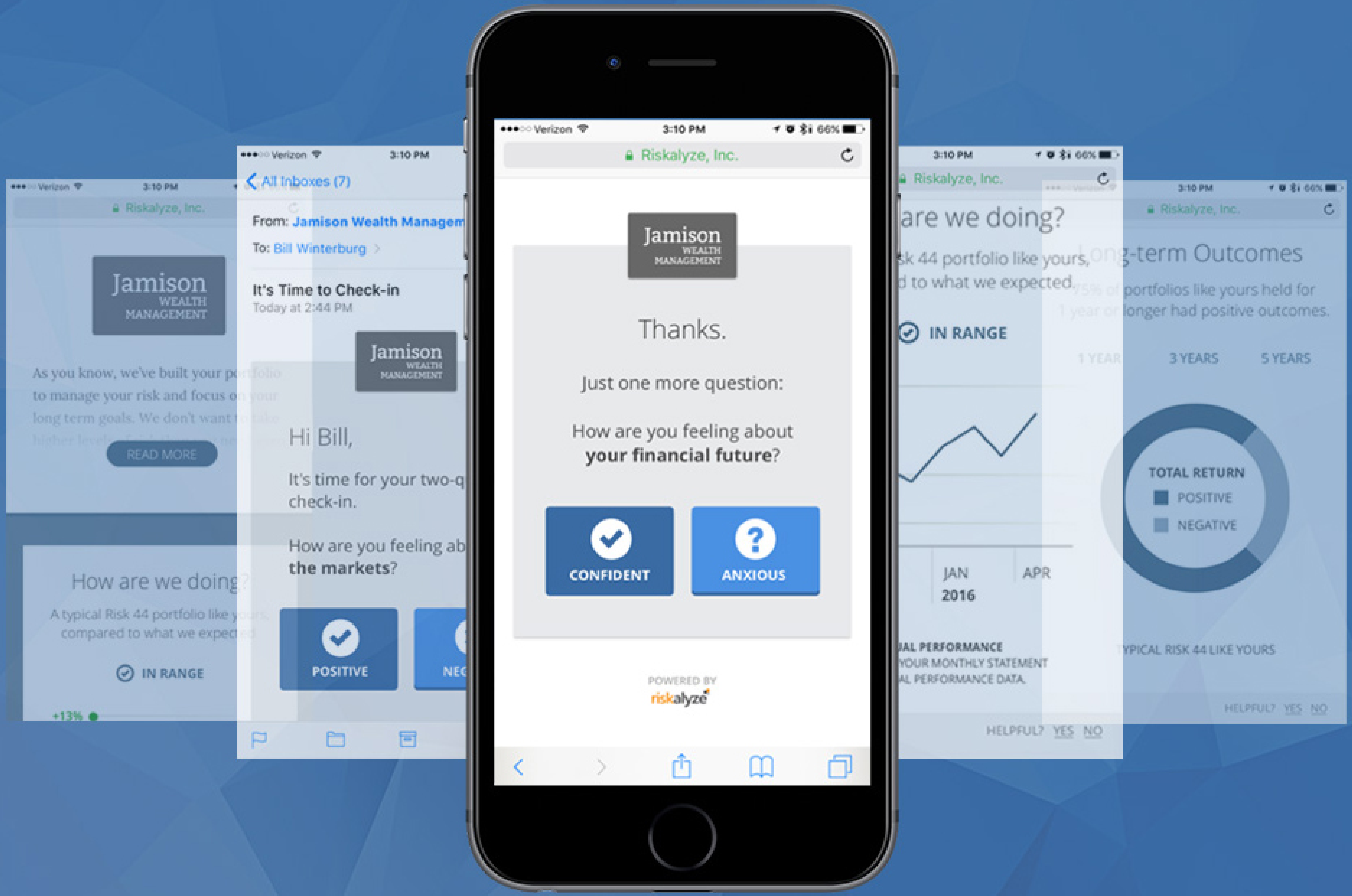
BLACKROCK | BlackRock Long Horizon

VIEW ON PARTNER STORE

RISK 24	Long Horizon JB 0/100 ETF + ADD TAG	UPDATE AVAILABLE

Fiduciary Checklist

- ☑ Document your process that is the basis for your advice with objectivity.
- ☑ Prove that you know your clients' investments.
- ☑ Manage each client's individual portfolio.
- ☑ Document rationality behind trading activity (or lack thereof).
- ☑ Document annual reviews.


Riskalyze, Inc.
Jamison
WEALTH MANAGEMENT
Thanks.
Just one more question:
How are you feeling about your financial future?
CONFIDENT
ANXIOUS
POWERED BY
riskalyze
From: Jamison Wealth Managem
To: Bill Winterburg
It's Time to Check-in
Hi Bill,
How are we doing?
IN RANGE
POSITIVE
Long-term Outcomes
TOTAL RETURN
POSITIVE
NEGATIVE

Check-ins

Convenience is expensive,
but trust is priceless.


riskalyze
URNAL REPORT ON RETIREMENT
uch Togetherness?
ax Out Your Social Security Payout
RISK 89
David Grider
RISK 76
RISK 55
RISK 65
RISK 75
RISK 85

Summary

- It's challenging to profitably serve smaller accounts with a fiduciary standard of care
- Technology can help fiduciary advisors and plan consultants profitably scale practices
- Some of the best technology solutions expose users to conflicts, fiduciary duty requires healthy challenges/skepticism

Fi360

Reference Materials

2019 Software Survey by Joel Bruckenstein and Bob Veres

https://t3technologyhub.com/wp-content/uploads/2019/01/2019-T3-Software-Survey-Report_02-05-19.pdf

Fi360

Questions

Additional information on fiduciary trends can be found at

fi360 Fiduciary Talk Podcast

www.fi360.com/fiduciarytalk

Also available on iTunes

and

fi360 Blog

www.fi360.com/blog

Additional questions can be directed to support@fi360.com

Appendix

Standardized Performance Data and Disclosures

Performance data shown represents past performance. Past performance is no guarantee of future results, and current performance may be higher or lower than the performance shown. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance data for Dimensional portfolios current to the most recent month-end, access our website at us.dimensional.com.

Consider the investment objectives, risks, and charges and expenses of the Dimensional funds carefully before investing. For this and other information about the Dimensional funds, please read the prospectus carefully before investing. Prospectuses are available by calling Dimensional Fund Advisors collect at (512) 306-7400 or at us.dimensional.com/prospectus. Dimensional funds are distributed by DFA Securities LLC.

Dimensional Fund Advisors LP is an investment advisor registered with the Securities and Exchange Commission.

Risks include loss of principal and fluctuating value. Investment value will fluctuate, and shares, when redeemed, may be worth more or less than original cost.

Small and micro cap securities are subject to greater volatility than those in other asset categories.

International and emerging markets investing involves special risks, such as currency fluctuation and political instability. Investing in emerging markets may accentuate these risks.

Sector-specific investments focus on a specific segment of the market, which can increase investment risks.

Fixed income securities are subject to increased loss of principal during periods of rising interest rates. Fixed income investments are subject to various other risks, including changes in credit quality, liquidity, prepayments, call risk, and other factors. Municipal securities are subject to the risks of adverse economic and regulatory changes in their issuing states.

Real estate investment risks include changes in real estate values and property taxes, interest rates, cash flow of underlying real estate assets, supply and demand, and the management skill and creditworthiness of the issuer.

Sustainability funds use environmental and social screens that may limit investment opportunities for the fund.

Commodities include increased risks, such as political, economic, and currency instability, and may not be suitable for all investors. The portfolio may be more volatile than a diversified fund because the portfolio invests in a smaller number of issuers and commodity sectors.

The fund prospectuses contain more information about investment risks.

Standardized Performance Data and Disclosures

		AVERAGE ANNUAL TOTAL RETURNS[1] (%)					FEES AND EXPENSES[2] (%)			
	Symbol	1 Year	5 Years	10 Years	Since Inception	Inception Date	Net Expense Ratio	Total (Gross) Expense Ratio	Management Fee	Management Fee after Fee Waiver
US Equity Portfolios										
		-5.45	8.21	13.32	8.15		0.15	0.23	0.20	0.20
		-7.79	6.89	13.19	7.65		0.19	0.19	0.17	0.17
		-9.62	5.84	12.77	7.24		0.22	0.22	0.20	0.20
		-5.12	—	—	7.06		0.25	0.27	0.20	0.20
		-6.23	7.50	—	9.95		0.17	0.17	0.15	0.15
		-1.99	9.03	—	12.72		0.19	0.19	0.17	0.17
		-11.65	5.83	13.17	9.60		0.27	0.37	0.35	0.25
		-4.43	8.42	13.07	5.53		0.08	0.08	0.06	0.06
		-11.60	4.14	13.08	11.40		0.52	0.52	0.50	0.50
		-12.34	4.12	—	9.80		0.38	0.38	0.35	0.35
		-13.13	3.87	13.39	9.79		0.37	0.37	0.35	0.35
		-15.13	2.17	12.05	10.74		0.52	0.52	0.50	0.50
		-15.78	2.59	11.94	10.18		0.37	0.37	0.35	0.35
		-13.24	4.01	12.10	6.58		0.32	0.32	0.30	0.30

1. Performance information as of 12/31/18.
2. Fee and expense information as of the prospectus dated 02/28/19.

Certain portfolios have entered into fee waiver and/or expense assumption arrangements with the advisor. In these cases, the advisor has contractually agreed, under certain circumstances, to waive certain fees and/or assume certain expenses of the portfolio. Unless otherwise stated in the prospectus, the advisor may amend or discontinue these arrangements at any time, one year from the date of the prospectus. The net expense ratio reflects the total annual fund operating expenses of the portfolio after taking into account any such fee waiver and/or expense assumption arrangements. Please read the portfolio's prospectus for details and more information.

#58386-0317

Standardized Performance Data and Disclosures

	Symbol	AVERAGE ANNUAL TOTAL RETURNS[1] (%) 1 Year	5 Years	10 Years	Since Inception	Inception Date	FEES AND EXPENSES[2] (%) Net Expense Ratio	Total (Gross) Expense Ratio	Management Fee	Management Fee after Fee Waiver
Non-US Equity Portfolios										
		-15.47	0.60	10.22	7.43		0.54	0.64	0.60	0.50
		-19.66	3.39	9.96	8.96		0.54	0.64	0.60	0.50
		-15.25	1.87	8.77	6.99		0.52	0.52	0.47	0.47
		-13.62	1.82	8.12	6.50		0.47	0.57	0.52	0.42
		-17.56	3.07	11.13	10.50		0.70	0.90	0.85	0.65
		—	—	—	0.38		0.85	0.86	0.70	0.70
		-11.93	1.85	8.19	9.59		0.54	0.64	0.60	0.50
		-17.40	0.89	7.51	4.04		0.30	0.30	0.27	0.27
		-13.48	—	—	-3.17		0.35	0.35	0.25	0.25
		-12.92	0.91	—	4.33		0.30	0.30	0.25	0.25
		-17.96	3.30	—	7.06		0.55	0.57	0.50	0.50
		-23.31	0.93	8.71	6.71		0.68	0.68	0.65	0.65
		-19.42	1.96	9.53	6.31		0.53	0.53	0.40	0.40
		-17.49	-0.35	6.11	5.67		0.43	0.63	0.60	0.40
		-18.98	0.91	7.97	3.74		0.48	0.48	0.45	0.45
		-19.51	6.13	7.61	5.16		0.53	0.63	0.60	0.50
		-14.14	0.44	6.16	5.19		0.23	0.23	0.20	0.20
		-19.77	-1.65	12.62	8.56		0.58	0.68	0.60	0.50
		-17.00	1.02	—	2.75		0.39	0.37	0.32	0.32
		-20.38	1.55	—	5.49		0.66	0.66	0.58	0.58
		-16.69	0.34	—	3.59		0.52	0.74	0.47	0.47

1. Performance information as of 12/31/18.
2. Fee and expense information as of the prospectus dated 02/28/19.

Certain portfolios have entered into fee waiver and/or expense assumption arrangements with the advisor. In these cases, the advisor has contractually agreed, under certain circumstances, to waive certain fees and/or assume certain expenses of the portfolio. Unless otherwise stated in the prospectus, the advisor may amend or discontinue these arrangements at any time, one year from the date of the prospectus. The net expense ratio reflects the total annual fund operating expenses of the portfolio after taking into account any such fee waiver and/or expense assumption arrangements. Please read the portfolio's prospectus for details and more information.

#65480-0718

Standardized Performance Data and Disclosures

	Symbol	1 Year	5 Years	10 Years	Since Inception	Inception Date	Net Expense Ratio	Total (Gross) Expense Ratio	Management Fee	Management Fee after Fee Waiver
		AVERAGE ANNUAL TOTAL RETURNS[1] (%)					FEES AND EXPENSES[2] (%)			
Tax Managed Portfolios										
		-9.43	5.97	12.78	6.33		0.24	0.24	0.22	0.22
		-9.88	5.43	12.32	5.92					
		-5.22	4.64	10.68	5.09					
		-16.87	1.08	7.66	2.14		0.36	0.36	0.32	0.32
		-17.25	0.63	7.25	1.76					
		-9.43	0.97	6.40	1.81					
		-17.32	-0.51	5.81	5.00		0.53	0.53	0.50	0.50
		-17.72	-1.07	5.37	4.48					
		-9.55	-0.17	4.93	4.35					
		-5.39	7.81	12.77	7.59		0.22	0.22	0.20	0.20
		-5.81	7.36	12.35	7.26					
		-2.86	6.10	10.66	6.35					
		-10.23	5.64	13.30	7.01		0.37	0.57	0.55	0.35
		-11.36	4.78	12.68	6.56					
		-5.20	4.39	11.16	5.87					
		-13.12	3.87	12.46	8.63		0.47	0.47	0.45	0.45
		-13.90	2.96	11.89	8.24					
		-7.16	2.98	10.43	7.43					
		-16.24	3.03	12.22	9.10		0.44	0.44	0.42	0.42
		-17.21	1.90	11.42	8.43					
		-8.87	2.34	10.22	7.84					

1. [illegible]
2. [illegible]

#28230-0912

Standardized Performance Data and Disclosures

	Symbol	AVERAGE ANNUAL TOTAL RETURNS[1] (%) 1 Year	5 Years	10 Years	Since Inception	Inception Date	FEES AND EXPENSES[2] (%) Net Expense Ratio	Total (Gross) Expense Ratio	Management Fee
Fixed Income Portfolios									
		1.36	2.30	—	2.13		0.23	0.23	0.20
		-0.46	—	—	-0.57		0.30	0.32	0.20
		1.24	0.84	1.35	1.63		0.22	0.22	0.20
		1.07	—	—	0.10		0.15	0.26	0.12
		1.68	1.95	2.80	5.11		0.27	0.27	0.25
		—	—	—	-0.08		0.30	0.31	0.25
		-1.29	1.73	3.73	3.80		0.12	0.12	0.10
		0.92	2.23	2.64	5.91		0.13	0.13	0.10
		-2.10	3.31	—	3.48		0.22	0.22	0.20
		1.34	2.27	—	1.51		0.22	0.22	0.20
		-0.24	2.68	—	3.05		0.22	0.22	0.20
		-8.34	3.84	—	0.05		0.15	0.14	0.10
		0.81	—	—	-0.04		0.32	0.38	0.25
		1.20	—	—	1.44		0.23	0.24	0.20
		-0.51	—	—	0.54		0.23	0.24	0.20
		1.02	—	—	1.57		0.25	0.25	0.20
		1.87	0.84	0.92	4.54		0.17	0.17	0.15
		1.83	0.56	2.13	1.08		0.17	0.17	0.15
		0.11	0.98	—	0.81		0.23	0.23	0.20
		1.34	1.64	—	2.83		0.22	0.22	0.20
		1.17	0.98	1.53	4.83		0.19	0.19	0.17
		1.21	0.82	1.24	1.68		0.22	0.22	0.20
		0.75	—	—	1.62		0.20	0.23	0.19
		1.78	0.84	1.02	2.90		0.21	0.21	0.15
		1.91	0.90	1.06	3.04		0.17	0.17	0.15
		1.42	0.58	0.79	2.87		0.20	0.20	0.15
		3.28	4.95	—	4.25		0.20	0.21	0.18
		-11.21	-7.57	—	-6.64		0.32	0.32	0.30

1. Performance information as of 12/31/18.
2. Fee and expense information as of the prospectus dated 02/28/19.

Certain portfolios have entered into fee waiver and/or expense assumption arrangements with the advisor. In these cases, the advisor has contractually agreed, under certain circumstances, to waive certain fees and/or assume certain expenses of the portfolio. Unless otherwise stated in the prospectus, the advisor may amend or discontinue these arrangements at any time, one year from the date of the prospectus. The net expense ratio reflects the total annual fund operating expenses of the portfolio after taking into account any such fee waiver and/or expense assumption arrangements. Please read the portfolio's prospectus for details and more information.

Standardized Performance Data and Disclosures

	Symbol	AVERAGE ANNUAL TOTAL RETURNS[1] (%) 1 Year	5 Years	10 Years	Since Inception	Inception Date	FEES AND EXPENSES[2] (%) Net Expense Ratio	Total (Gross) Expense Ratio	Management Fee
Global Portfolios									
Global Allocation 25/75 Portfolio	DGTSX	-1.85	2.37	4.77	4.08	12/24/2003	0.26	0.42	0.20
Global Allocation 60/40 Portfolio	DGSIX	-6.41	3.49	8.08	5.77	12/24/2003	0.28	0.49	0.25
Global Equity Portfolio	DGEIX	-11.49	4.44	10.93	7.25	12/24/2003	0.30	0.57	0.30
Global Small Company Portfolio	DGLIX	-15.96	—	—	0.09	1/18/2017	0.49	0.90	0.45
Selectively Hedged Global Equity Portfolio	DSHGX	-11.69	4.26	—	8.59	11/14/2011	0.34	0.60	0.30
World Core Equity Portfolio	DREIX	-12.30	3.95	—	7.85	3/7/2012	0.32	0.59	0.30
Real Estate Portfolios									
		-4.15	6.63	11.19	4.71		0.24	0.35	0.20
		-6.90	3.47	9.22	0.37		0.28	0.28	0.25
		-2.99	8.51	12.41	9.54		0.18	0.19	0.17
Social and Sustainability Portfolios									
		-14.88	2.00	8.68	4.96		0.53	0.53	0.47
		—	—	—	-16.86		0.65	0.73	0.50
		—	—	—	1.15		0.28	0.33	0.24
		-17.38	0.68	—	4.78		0.33	0.33	0.29
		-15.53	0.71	6.86	1.70		0.37	0.34	0.30
		-0.32	—	—	0.39		0.27	0.25	0.20
		-9.98	5.38	12.46	5.62		0.28	0.28	0.25
		-6.73	7.05	13.29	8.53		0.25	0.25	0.23

1. Performance information as of 12/31/18.
2. Fee and expense information as of the prospectus dated 02/28/19.

Certain portfolios have entered into fee waiver and/or expense assumption arrangements with the advisor. In these cases, the advisor has contractually agreed, under certain circumstances, to waive certain fees and/or assume certain expenses of the portfolio. Unless otherwise stated in the prospectus, the advisor may amend or discontinue these arrangements at any time, one year from the date of the prospectus. The net expense ratio reflects the total annual fund operating expenses of the portfolio after taking into account any such fee waiver and/or expense assumption arrangements. Please read the portfolio's prospectus for details and more information.

Relative Performance for Standardized Periods

Funds with more than 15 years of history as of December 31, 2018

Fund Name	Ticker	Morningstar Category (US Fund)	Prior Year: Dimensional Placement/ Funds at Start[1]	Prior Year: Number of Ranked Investments[2]	Prior Year: Average Index Fund Placement[3]	Prior 5 Years: Dimensional Placement/ Funds at Start[1]	Prior 5 Years: Number of Ranked Investments[2]	Prior 5 Years: Average Index Fund Placement[3]	Prior 10 Years: Dimensional Placement/ Funds at Start[1]	Prior 10 Years: Number of Ranked Investments[2]	Prior 10 Years: Average Index Fund Placement[3]	Prior 15 Years: Dimensional Placement/ Funds at Start[1]	Prior 15 Years: Number of Ranked Investments[2]	Prior 15 Years: Average Index Fund Placement[3]
US Large Cap Value Portfolio I	**DFLVX**	**Large Value**	**1,019/1,309**	**1,242**	**503**	**329/1,207**	**937**	**280**	**31/1,290**	**686**	**201**	**47/1,008**	**432**	**175**
US Large Company Portfolio	**DFUSX**	**Large Blend**	**316/1,484**	**1,398**	**472**	**81/1,455**	**1,069**	**250**	**139/1,663**	**804**	**235**	**100/1,408**	**528**	**194**
US Micro Cap Portfolio I	**DFSCX**	**Small Blend**	**305/827**	**767**	**207**	**176/701**	**540**	**157**	**66/662**	**392**	**150**	**85/440**	**223**	**74**
US Small Cap Portfolio I	**DFSTX**	**Small Blend**	**436/827**	**767**	**207**	**214/701**	**540**	**157**	**46/662**	**392**	**150**	**61/440**	**223**	**74**
US Small Cap Value Portfolio I	**DFSVX**	**Small Value**	**186/432**	**417**	**137**	**184/394**	**327**	**133**	**55/389**	**228**	**95**	**41/248**	**130**	**50**
US Targeted Value Portfolio I	DFFVX	Small Value	221/432	417	137	150/394	327	133	60/389	228	95	26/248	130	50
Large Cap International Portfolio I	**DFALX**	**Foreign Large Blend**	**253/788**	**737**	**215**	**163/689**	**506**	**174**	**141/688**	**379**	**170**	**76/452**	**201**	**103**
International Value Portfolio I	**DFIVX**	**Foreign Large Value**	**205/336**	**313**	**72**	**67/328**	**225**	**73**	**28/312**	**149**	**36**	**11/170**	**76**	**51**
International Small Cap Value Portfolio I	**DISVX**	**Foreign Small/Mid Value**	**53/70**	**61**	**18**	**17/53**	**43**	**15**	**11/58**	**22**	**11**	**2/44**	**9**	**-**
International Small Company Portfolio I	**DFISX**	**Foreign Small/Mid Blend**	**41/115**	**110**	**28**	**20/84**	**67**	**27**	**28/69**	**50**	**23**	**9/30**	**22**	**-**
Asia Pacific Small Company Portfolio I	DFRSX	Pacific/Asia ex-Japan Stk	47/88	83	28	58/108	59	33	13/63	29	18	13/47	21	11
Continental Small Company Portfolio I	DFCSX	Europe Stock	105/133	119	42	4/108	70	28	5/100	52	32	3/103	43	30
Japanese Small Company Portfolio I	DFJSX	Japan Stock	40/53	50	22	7/37	25	13	8/54	14	10	3/38	10	8
Enhanced US Large Co. Portfolio I	DFELX	Large Blend	602/1,484	1,398	472	142/1,455	1,069	250	88/1,663	804	235	131/1,408	528	194
Emerging Markets Portfolio I	**DFEMX**	**Diversified Emerging Mkts**	**178/866**	**833**	**271**	**113/726**	**531**	**267**	**77/375**	**237**	**152**	**21/186**	**115**	**56**
Emerging Markets Small Cap Portfolio I	**DEMSX**	**Diversified Emerging Mkts**	**515/866**	**833**	**271**	**17/726**	**531**	**267**	**5/375**	**237**	**152**	**3/186**	**115**	**56**
Emerging Markets Value Portfolio I	**DFEVX**	**Diversified Emerging Mkts**	**81/866**	**833**	**271**	**106/726**	**531**	**267**	**73/375**	**237**	**152**	**7/186**	**115**	**56**
Tax-Managed International Value Portfolio	DTMIX	Foreign Large Value	196/336	313	72	82/328	225	73	36/312	149	36	9/170	76	51
Tax-Managed US Equity Portfolio	DTMEX	Large Blend	586/1,484	1,398	472	281/1,455	1,069	250	217/1,663	804	235	106/1,408	528	194
Tax-Managed US Marketwide Value Portfolio	DTMMX	Large Value	875/1,309	1,242	503	375/1,207	937	280	25/1,290	686	201	33/1,008	432	175
Tax-Managed US Small Cap Portfolio	DFTSX	Small Blend	434/827	767	207	213/701	540	157	110/662	392	150	109/440	223	74
Tax-Managed US Targeted Value Portfolio	DTMVX	Small Value	235/432	417	137	110/394	327	133	47/389	228	95	53/248	130	50
Real Estate Securities Portfolio I	**DFREX**	**Real Estate**	**15/275**	**249**	**83**	**14/254**	**191**	**68**	**16/229**	**138**	**53**	**23/176**	**94**	**44**
One-Year Fixed Income Portfolio I	DFIHX	Ultrashort Bond	51/191	186	101	83/159	122	67	44/111	59	57	22/102	45	-
Short-Term Government Portfolio I	DFFGX	Short Government	43/108	104	28	23/127	93	37	19/128	68	36	11/146	64	38
Short Term Municipal Bond I	DFSMX	Muni National Short	106/208	202	62	106/198	162	108	82/163	108	71	61/147	79	-
Two-Year Global Fixed Income Portfolio I	DFGFX	World Bond	30/324	308	138	140/341	244	146	128/214	138	100	78/137	82	-
Five-Year Global Fixed Income Portfolio I	DFGBX	World Bond	35/324	308	138	60/341	244	146	94/214	138	100	57/137	82	-
Intermediate Government Fixed Income Portfolio I	DFIGX	Intermediate Government	27/259	235	51	27/273	194	67	52/291	150	111	11/284	116	63

Data Appendix

US-domiciled open-end mutual fund data is from Morningstar.

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 Government, Intermediate-Term Bond, 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, Short Government, Short-Term Bond, Ultrashort Bond, and World Bond.

Additional information regarding Morningstar's historical categories is available from Dimensional upon request.

Index funds and fund-of-funds are excluded from the sample. Net assets for funds with multiple share classes or feeder funds are a sum of the individual share class total net assets. The return, expense ratio, and turnover for funds with multiple share classes are taken as the asset-weighted average of the individual share class observations. Fund share classes are aggregated at the strategy level using Morningstar FundID.

Each fund is evaluated relative to the Morningstar benchmark assigned to the fund's category at the start of the evaluation period. Surviving funds are those with return observations for every month of the sample period. Winner funds are those that survived and whose cumulative net return over the period exceeded that of their respective Morningstar category benchmark. Loser funds are funds that did not survive the period or whose cumulative net return did not exceed their respective Morningstar category benchmark.

Benchmark data provided by Bloomberg Barclays, MSCI, Russell, FTSE Fixed Income LLC, and S&P. Bloomberg Barclays data provided by Bloomberg. MSCI data © MSCI 2019, all rights reserved. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. FTSE fixed income indices © 2019 FTSE Fixed Income LLC. All rights reserved. S&P data © 2019 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

Benchmark indices are not available for direct investment. Their performance does not reflect the expenses associated with management of an actual portfolio.

Dimensional Fund Advisors LP is an investment advisor registered with the Securities and Exchange Commission.

Mutual fund investment values will fluctuate, and shares, when redeemed, may be worth more or less than original cost. Diversification neither assures a profit nor guarantees against a loss in a declining market. There is no guarantee investment strategies will be successful. Past performance is no guarantee of future results.