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2020 Annual  
Stewardship Report



# 2020 Annual Stewardship Report

Reporting Period: July 1, 2019–June 30, 2020

The Annual Stewardship Report highlights Dimensional’s efforts to protect and enhance shareholder value through investment stewardship activities over the prior proxy year, including outcomes and observations from engagement with portfolio companies, proxy voting, and industry participation and advocacy.

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It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities in this Report.

The case studies in this Stewardship Report reflect the reporting period, July 1, 2019–June 30, 2020, and do not incorporate or reflect changes in portfolio company governance following the reporting period.

“Dimensional” and “we” refer to the Dimensional separate but affiliated entities generally, rather than one particular entity. These entities are Dimensional Fund Advisors LP, Dimensional Fund Advisors Ltd., Dimensional Ireland Limited, DFA Australia Limited, Dimensional Fund Advisors Canada ULC, Dimensional Fund Advisors Pte. Ltd., and Dimensional Japan Ltd.

# Letter from the Head of Investment Stewardship

We are proud to present Dimensional's 2020 Annual Stewardship Report, which highlights the work our team has done to advance key stewardship priorities on behalf of our clients. Our stewardship efforts to add value for shareholders also continued throughout the COVID-19 crisis. During the report period, our team held 640 discussions with companies around the world, conducted three letter campaigns targeting over 500 companies, voted on 133,592 distinct proposals at 14,612 meetings, participated in several industry events, and provided feedback to regulators on key corporate governance matters.

This year, we continued to grow our stewardship team, which includes investment stewardship and portfolio management professionals who work to protect the interests of our clients through voting, engagement, industry participation, and public policy advocacy. We also continued to enhance our ability to systematically monitor the governance of our portfolio companies, particularly as it relates to the management of material environmental and social risks, through the development of new processes and tools and the integration of new data.

I hope this report provides you with greater insight into the role stewardship plays in our investment process. More information about our policies and efforts can be found under the "Investment Stewardship" section of our public website, or we can be contacted through your Dimensional representative or directly at [corporategovernance@dimensional.com](mailto:corporategovernance@dimensional.com).

Sincerely,



**Kristin Drake**  
Head of Investment Stewardship

# Our Core Beliefs

**Dimensional advocates for stronger governance practices at the companies in which we invest on behalf of our clients because we believe it can improve returns for investors.**

Dimensional believes that in well-functioning markets, prices quickly incorporate information and reflect the aggregate expectations of market participants. This includes information about a company’s strategy, financial and non-financial performance, capital structure, risks, social and environmental impact, and corporate governance. As such, Dimensional believes improvements to a company’s governance practices may be reflected in increased valuations through a combination of lower discount rates and higher cash flows to shareholders.<sup>1</sup>

The table below describes Dimensional’s views on select governance issues at portfolio companies, those companies Dimensional invests in on behalf of clients. These governance issues may impact shareholder returns and influence current priorities for Dimensional’s stewardship efforts.

## 2020 Investment Stewardship Priorities

<p>Board Assessment and Refreshment</p>	<p>We expect a portfolio company’s board of directors to represent the interests of shareholders.</p> <p>Board independence and diversity of backgrounds, experiences, and skill sets needed to effectively oversee management and mitigate risk are important issues in assessing board composition. We believe that the necessary skills for board members generally evolve over time, and therefore we expect portfolio companies to maintain a rigorous assessment and refreshment process.</p>
<p>Disclosure of Material Environmental and Social Risks</p>	<p>Portfolio company boards should exercise oversight of material environmental and social risks that may have economic ramifications for shareholders. Portfolio companies should disclose these risks and related oversight to shareholders.</p>
<p>Shareholder Rights</p>	<p>We expect portfolio companies to maintain mechanisms for shareholders to raise concerns and hold companies accountable.</p>
<p>Executive Compensation</p>	<p>Compensation plans should be based on rigorous and transparent metrics that display a clear link between pay and long-term performance.</p>

1. More information on Dimensional’s stewardship philosophy and approach can be found on the Investment Stewardship page of our public website, or you can contact us directly at [corporategovernance@dimensional.com](mailto:corporategovernance@dimensional.com).

# People and Implementation

Investment stewardship at Dimensional is a global effort supported by many teams and departments. Dimensional’s Investment Stewardship Committee<sup>2</sup> is responsible for developing our policies and approach to investment stewardship, which are then executed by our Investment Stewardship Group in coordination with other groups across the firm.

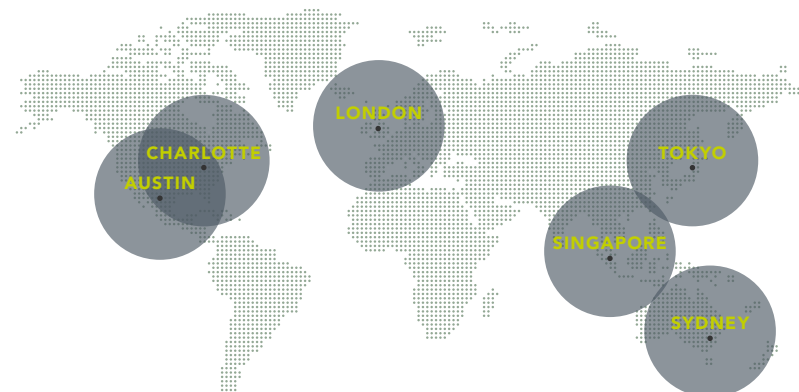
Committee membership reflects our view on the importance of investment stewardship and our ongoing commitment to protect and enhance value for our investors.

## Dimensional’s Investment Stewardship Committee

William Collins-Dean	Chair of Investment Stewardship Committee, Senior Portfolio Manager, and Vice President
Eugene Fama	Consultant and Dimensional Director <sup>3</sup>
Kenneth French	Consultant and Dimensional Director <sup>3</sup>
David Booth	Executive Chairman
Dave Butler <sup>4</sup>	Co-Chief Executive Officer and Dimensional Director
Gerard O’Reilly	Co-Chief Executive Officer, Chief Investment Officer, and Dimensional Director
Joseph Chi	Head of Responsible Investment, Senior Portfolio Manager, and Vice President
Kristin Drake	Head of Investment Stewardship Group
Joel Schneider	Deputy Head of Portfolio Management, North America and Vice President
Selwyn Notelovitz	Global Chief Compliance Officer
Valerie Brown <sup>4</sup>	Deputy General Counsel and Vice President

Global stewardship activities are supported by a global staff in six offices and cover thousands of portfolio companies across more than 40 countries.

## Global Implementation



2. In February 2020, the groups dedicated to stewardship at Dimensional were renamed to the Investment Stewardship Committee and Investment Stewardship Group (formerly the Corporate Governance Committee and Group, respectively) to better reflect the breadth of the activities they oversee and implement. Committee membership shown is as of July 30, 2020.  
 3. References to Dimensional Directors are to the Board of Directors of the general partner of Dimensional Fund Advisors LP.  
 4. Ex officio.

# By the Numbers: 2020 Investment Stewardship Summary

The goal of Dimensional's investment stewardship efforts is to improve governance practices at portfolio companies in a way that we believe may increase expected cash flows to investors or reduce risks to shareholders. To the extent these efforts do result in improved governance practices, we would expect shareholders to benefit from increases in company valuation. The following statistics provide a broad overview of Dimensional's engagement and proxy voting activities during the 2020 proxy year.

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## Global Engagement

640

Engagements<sup>5</sup>

594

Letters Sent

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## Global Proxy Voting

14,612

Meetings Voted

133,592

Proposals Voted

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5. Includes calls with portfolio companies and dissident and shareholder proponents.

# Global Stewardship Highlights

The following statistics demonstrate the breadth of Dimensional's engagement and voting activities during the 2020 proxy year.

## Company Engagements

Dimensional engages with companies held in the portfolios we manage to better understand their governance practices and advocate for strong corporate governance.

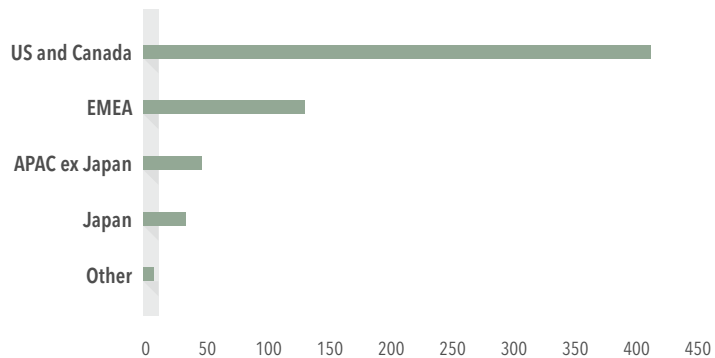
Common topics of engagement in 2020 reflect Dimensional's investment stewardship priorities, with executive compensation, board composition, and issues related to oversight and disclosure of environmental and social risks each discussed in more than a third of engagements.

### ENGAGEMENTS BY TOPIC



Engagements outside of North America represented 35% of total engagements in 2020.

### ENGAGEMENTS BY REGION



Note: Engagements may cover multiple topics. Total number of topical discussions will exceed total number of portfolio company discussions due to many discussions covering multiple stewardship topics.

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## Letter Campaigns

### Governance Guidelines

**CAMPAIGN GOAL:** Communicate Dimensional’s views and expectations for portfolio companies on governance priorities, such as shareholder rights and board structure and compositions.

212

Letters sent to North American companies

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### Board Assessment and Refreshment

**CAMPAIGN GOAL:** Advocate for disclosure and improvement of board assessment and refreshment mechanisms at portfolio companies whose practices are not disclosed or may be insufficiently robust.

240

Letters sent to US companies

87

Letters sent to EMEA companies

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### Political and Lobbying Expenditure

**CAMPAIGN GOAL:** Advocate for disclosure of board oversight of political and lobbying spending at portfolio companies lacking disclosure.

54

Letters sent to US companies

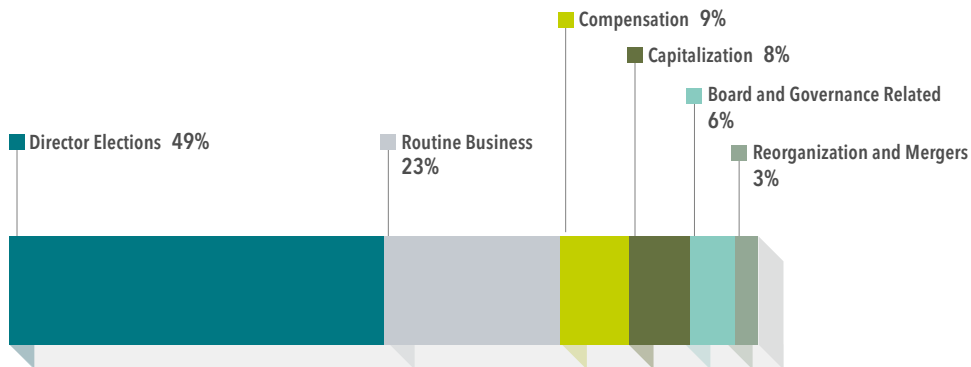


## Proxy Voting

In proxy year 2020, Dimensional voted 133,592 distinct proposals at 14,612 meetings globally.

Dimensional votes proxies at shareholder meetings globally to hold boards and management of portfolio companies accountable to shareholders and promote governance best practices.

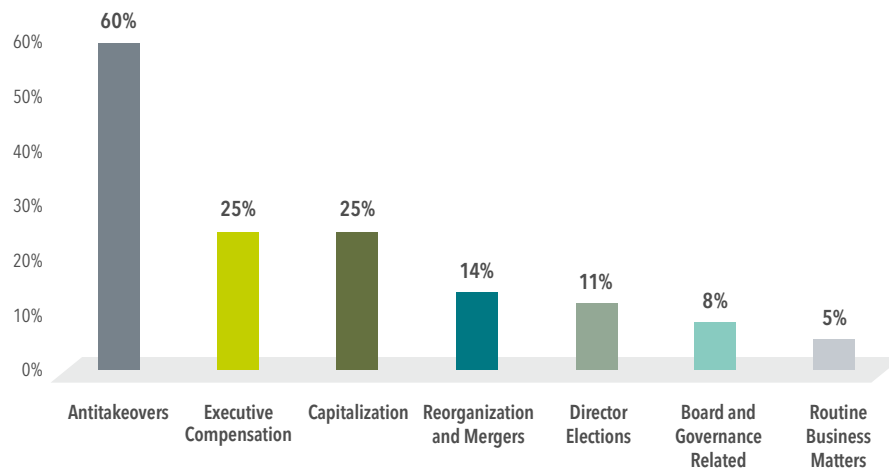
### PROPOSALS VOTED BY TOPIC



Our views and voting guidelines on antitakeover devices and executive compensation have led to a high relative percentage of votes against management proposals on these issues.

### VOTES AGAINST MANAGEMENT BY TOPIC

Dimensional votes proxies in accordance with internal guidelines, which are designed to encourage portfolio companies to maintain governance policies consistent with maximizing shareholder value.



The "Director Elections" category includes the election of statutory auditors in Japan. "Board and Governance Related" includes proposals related to director compensation, board size and structure, voting standards, and shareholder access. "Routine Business Matters" includes a range of procedural matters as well as proposals calling for the adjournment of meetings, votes on the frequency of say on pay, and the election of auditors.

## Viewpoint: Stewardship in the Context of the COVID-19 Crisis

Dimensional's investment stewardship activities have continued throughout the COVID-19 crisis. While there were some immediate, practical adjustments due to the crisis—such as the postponement of shareholder meetings—our investment stewardship priorities remained relevant in the face of the ongoing crisis. Our team has also considered the impacts of the pandemic in our ongoing engagements and in setting investment stewardship priorities for the 2021 proxy year.

### SHAREHOLDER RIGHTS PLANS (POISON PILLS) AND HOSTILE TAKEOVERS

Historically, times of extreme market volatility have been met with an uptick in hostile takeover bids and related shareholder activism. As companies face falling public valuations, management may be incentivized to adopt rights plans to head off perceived threats of a takeover, often citing their belief that current valuations do not reflect long-term intrinsic value. Market prices are real-time and forward-looking, and therefore Dimensional believes that current valuations are fair estimates of value. We also believe that the market for corporate control, which can result in acquisitions at a premium to current valuations, is beneficial for shareholders and should be able to function without undue restrictions. Takeover defenses such as poison pills can lead to entrenchment and reduced accountability at the board level. We have long viewed the adoption of poison pills without shareholder approval as not in line with shareholder interests. In 2015, Dimensional conducted a letter campaign addressing the issues of poison pills.

Since the outbreak of COVID-19, we have observed a marked increase in the number of pills adopted at US companies. As of June 30, 2020, 49 US companies had adopted poison pills without shareholder approval year to date.<sup>6</sup> In keeping with our long-held opposition to such measures, we continue to oppose pills and maintain a list of directors who serve on boards of companies that adopt pills without shareholder approval. We may vote against these directors any time they are up for election, including at other portfolio companies for which they serve as directors.

### STEWARDSHIP PRIORITIES FOR 2021

We expect the impact of COVID-19 will be felt during the upcoming 2021 proxy year (July 1, 2020–June 30, 2021), as the majority of shareholder proposals for proxy year 2020 (July 1, 2019–June 30, 2020), particularly in the US, were filed well before the COVID-19 crisis unfolded. Thus, the first opportunity for proposals informed by this crisis will be next year. Additionally, shareholders will have had the opportunity to observe and assess management and board responses to the pandemic, which may raise important questions about compensation, board qualification, and risk management.

6. Source: Council of Institutional Investors Research and Education Fund pill adoption tracking.

### **EXECUTIVE COMPENSATION**

Many public companies have delayed finalizing performance targets and metrics for the current performance period until market conditions stabilize so that those targets and metrics reflect the proper incentives and goals for executives in a post-pandemic business climate.

We expect COVID-19-related impacts to be seen in compensation votes over the next year, as boards may reset executives' performance metrics, reprice options, or otherwise employ discretion to revisit decisions in response to fallout from the pandemic.

Dimensional believes compensation plans should align the interests of management and those of shareholders, and we monitor portfolio companies for excessive compensation arrangements, which may lead us to engage or take voting action. We plan to carefully consider, and evaluate according to our proxy voting policy, the context of the current environment on executive compensation proposals.

### **BOARD EFFECTIVENESS AND ASSESSMENT**

Dimensional believes that strong, independent boards of directors are most effective in ensuring that shareholder interests are represented. In times of significant uncertainty, the importance of such leadership is only heightened. It is critical that company boards are appropriately qualified to oversee risks to their company's business. Dimensional will continue to focus on the importance of adequate board refreshment and assessment processes of portfolio companies, which are critical to maintain a qualified, effective board. This year's letter campaign on this topic provides a foundation for further engagements with portfolio companies on improving practices in this critical area.

### **DISCLOSURE**

For many companies, the COVID-19 crisis has presented unforeseen challenges, such as remote work arrangements, supply chain uncertainties, and rapidly changing public safety guidelines. In light of these new and evolving risks, portfolio companies should ensure they have robust disclosure on risks raised by the pandemic, such as worker health and safety, business continuity operations, and supply chain management and related board oversight. While uncertainty will undoubtedly continue throughout this crisis, effective governance demands that companies seek to address evolving risks while communicating those risks to shareholders.

# Stewardship Spotlight: Governance Priorities

## Key Statistics

140

Engagements related to shareholder rights and poison pill topics

111

Poison pills voted against

461

Directors voted against for concerns related to the adoption poison pills

## Shareholder Rights and Poison Pills

We expect portfolio companies to maintain mechanisms for shareholders to raise concerns and hold companies accountable. Shareholder rights are a perennial stewardship priority for Dimensional, and we vote proxies and conduct engagements in a manner we believe promotes shareholder rights.

In proxy year 2020, Dimensional supported 45 governance-related shareholder proposals at US-based companies. Many of these proposals reflected important shareholder rights issues, such as adopting majority vote provisions standards, the right to act by written consent, and the right to call a special meeting.

### ► Dimensional’s Stewardship Perspective on Poison Pills

Dimensional regularly monitors for, and strongly opposes, the enactment or renewal of poison pills. We have a publicly stated view in opposition to the implementation of poison pills and generally any management or governance practices that may limit shareholder ownership rights. The adoption of poison pills may prevent acquisitions at a premium to current valuations, reducing potential enhancement to shareholder value. Dimensional has a practice of notifying portfolio companies enacting these types of provisions that Dimensional may vote against all of the members of that company’s board of directors and those same individuals who are directors at other portfolio companies, since the act of adopting any of these provisions is an act that we believe no director representing the interests of its shareholders should endorse.

In considering a poison pill for approval, we may take into account the existence of “qualified offer” and other shareholder-friendly provisions. For pills designed to protect net operating losses, we may take into consideration a variety of factors, including but not limited to the size of the available operating losses and the likelihood that they will be utilized to offset gains.

## Shareholder Rights Plan at Synalloy Corporation

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### Goal

Protect shareholder value by educating board members about our opposition to mechanisms that may block takeover bids that may improve shareholder value.

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### Background

In April 2020, the portfolio company adopted a shareholder rights plan. The announcement followed several notable events, including the COVID-19 crisis, a decrease in the company's share price, and the nomination of a slate of directors by dissident shareholders. At the time the plan was announced, portfolios and accounts advised by Dimensional held in aggregate approximately 5% of shares outstanding in the company. In June 2020, the company announced ahead of its annual meeting that three management directors would resign, effective after the annual meeting on June 30.

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### Engagement

Dimensional engaged with the dissident shareholder to discuss the contest, including the impact of the resignation of three management directors, and the shareholder rights plan. Dimensional also engaged with the portfolio company to discuss the contest and to inform them of our proxy voting policy with regard to poison pills adopted without shareholder approval. We shared that, in addition to voting against directors at firms who adopt poison pills, we may also vote against those directors at other portfolio company boards on which they serve.

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### Outcomes and Observations

The portfolio company terminated the poison pill shortly before the shareholder meeting. Dimensional voted for five of the eight management directors up for election. Dimensional voted against the three management nominees who had committed to stepping down after the meeting. These resignations created vacancies for the dissident nominees. Ultimately, the five management nominees seeking re-election were elected, along with three of the dissident nominees.

## Governance Concerns at TENMA Corporation

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<b>Goal</b>	Evaluate dissident case for board change following significant governance failures.
<b>Background</b>	<p>TENMA Corporation, a Japanese chemicals company, notified the Japanese government in April 2020 that an official of its Vietnamese subsidiary, TENMA Vietnam, had made payments to the Vietnamese government in 2017 and 2019 in order to receive tax penalty relief. A third-party committee arranged by the portfolio company to investigate these concerns found that there were significant corporate governance issues at the portfolio company, including the bribery reported at the Vietnamese subsidiary and a persistent failure to share critical information with the portfolio company's auditor. The third-party committee advised the portfolio company's president to resign and also named three directors as responsible for the failures of oversight that led to the bribery. The culpability of these three directors was echoed by the portfolio company's audit committee. Nevertheless, the company nominated these three directors for re-election at the portfolio company's meeting. After the announcement of the bribery, Osamu Tsukasa, a member of the portfolio company's founding family and the former representative director and chairman of TENMA, nominated a competing slate of director candidates to the board.</p>
<b>Engagement</b>	<p>Dimensional engaged with representatives of the Tsukasa slate to understand their perspective on the reported governance shortfalls and hear their views on how leadership and oversight practices could be better aligned with shareholder interests. Dimensional also attempted to engage directly with TENMA in order to discuss our concerns and better understand the portfolio company's position on these issues. TENMA did not respond to our request to engage. We conducted further independent research to assess the skills, experiences, and competencies of the dissident's proposed director candidates and to further evaluate the portfolio company's governance concerns.</p>
<b>Outcome</b>	<p>Based on our engagement efforts and our research, we believed that there was evidence of a pattern of governance concerns at TENMA. Dimensional voted against the three incumbent management nominees and supported several members of the dissident slate of director candidates. The three incumbent nominees, whom Dimensional voted against, were not elected to the board.</p>

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## Key Statistics

206

Assessment and Refreshment Discussions

84

Directors Voted Against When Board Assessment Was a Concern<sup>7</sup>

## Board Assessment and Refreshment

Dimensional believes that shareholders' interests in a portfolio company are best represented by an independent board of directors, made up of individuals who collectively have the diversity of backgrounds, experiences, and skill sets needed to effectively oversee management and risks. In order to maintain a qualified board of directors, portfolio companies should have in place and disclose robust board assessment and refreshment policies and procedures.

### ► Dimensional's Stewardship Perspective on Board Refreshment

An effective board refreshment process for a portfolio company can include the alignment of directors' skills with business needs, assessment of individual director performance and feedback, and a search process for new directors that appropriately incorporates qualification criteria.

In evaluating a portfolio company's refreshment process, Dimensional may consider, among other information:

- Whether the company's board assessment process meets market best practices in terms of objectivity, rigor, disclosure, and other criteria.
- Whether the company has any mechanisms to encourage board refreshment.
- Whether the company has board entrenchment devices, such as a classified board or plurality vote standard.

An additional consideration that may lead Dimensional to scrutinize the effectiveness of a portfolio company's board refreshment process is a lack of gender diversity on the board. In jurisdictions where gender representation on a board is not mandated by law, Dimensional may consider whether a portfolio company seeks to follow market best practices as the portfolio company nominates new directors and assesses the performance of existing directors who have the diversity of backgrounds, experiences, and skill sets needed to effectively oversee management and manage risk.

7. Votes against directors may reflect the consideration of multiple concerns.

## Board Assessment and Refreshment Letter Campaign

### Goal

Advocate for disclosure and improvement of board assessment and refreshment mechanisms at portfolio companies whose practices are not disclosed or may be insufficiently robust.

### Background

In March 2020, Dimensional sent letters to portfolio companies regarding their board refreshment process. The campaign covered portfolio companies based in the US and Europe. Dimensional sent two rounds of letters—the first to companies that lacked, or failed to disclose, a board assessment process, and the second addressing companies with comparatively weak assessment practices. The letters encouraged portfolio companies to improve disclosure and mechanisms related to board assessment and refreshment.

### Outcomes and Observations

Dimensional received a range of responses from portfolio companies that received letters as part of this campaign. In some cases, companies expressed a willingness to consider our policies and priorities as they evaluate their own practices. For example, one company said that it would be changing its director evaluation process from biannual to annual. Dimensional considers the responses it has received from portfolio companies to this letter when voting on directors. To date, we have voted against 13 directors at 11 companies that did not respond to our letter and continue to have what Dimensional considers to be inadequate board refreshment and assessment practices.

126 Letters

#### Round One

##### Addressing Lack of Disclosure

Dimensional sent 126 letters to portfolio companies in US and Europe without disclosure on refreshment process or without assessment

201 Letters

#### Round Two

##### Addressing Insufficient Mechanisms

Dimensional sent 201 letters to portfolio companies in US and Europe with least rigorous mechanisms



## Board Diversity Shareholder Proposal at National HealthCare Corporation

**Goal** Assess the portfolio company's board assessment and refreshment practices and whether additional disclosure related to board diversity would benefit shareholders.

**Background** In spring 2020, Dimensional's Investment Stewardship team reviewed a shareholder proposal on the ballot at National HealthCare Corporation, a US-based nursing home operator. The proposal requested that the portfolio company produce a report on its efforts to enhance board diversity and consider enhancing its disclosure of board diversity.

**Dimensional's Voting Considerations**

- Research raised concerns with the rigor of the annual board assessment.
- The portfolio company's board tenure averaged over 20 years and lacked independence and diversity.
- The proposal was not overly prescriptive and afforded board discretion in implementation.

**Outcomes and Observations** Dimensional voted in favor of the shareholder proposal. This vote came after careful consideration of the portfolio company's current board refreshment and assessment practices, the nature of the proposal, and the current state of the board, including its high average tenure and lack of diversity, both of which may indicate an inadequate refreshment process. The proposal passed with approximately 59% support.

Additionally, Dimensional voted against two directors who were on the board's Nominating Committee due to the concerns raised above. Voting results demonstrated that our concerns were mirrored by other shareholders, with the directors receiving only 62.4% and 67.4% support.

## Viewpoint: Dimensional's Approach to Environmental and Social Shareholder Proposals

Dimensional's investment stewardship efforts focus on adding value for investors by advocating for strong corporate governance practices, including board oversight of material risks related to ESG (Environmental, Social, and Governance), at portfolio companies. Although environmental and social shareholder proposals make up a small percentage of overall proxy matters (0.4% of all proxy votes in proxy year 2020), we recognize that these votes are of particular interest to many clients.

Voting on proposals related to ESG issues is one stewardship tool that Dimensional can employ to seek to enhance board oversight and disclosure of ESG-related risks. However, voting on these proposals may not be the most effective means to engage with a company. In many cases, we have found engagement through calls, letters, and in-person discussions to have led to positive outcomes. This is in large part because we are able to communicate our concerns and expectations during an engagement with a level of detail and specificity that is not inherent in a proposal submitted by another shareholder, who may have different concerns and priorities.

We may support shareholder proposals if we feel they are likely to provide shareholders with meaningful information about the company's handling of a material environmental or social risk while also considering any cost the proposal may have on the portfolio company. We carefully evaluate each environmental or social shareholder proposal and consider its unique merits, materiality, and possible positive impact on shareholder value. Our general approach to such proposals is to assess whether the value to shareholders of what is being requested outweighs the potential costs to the portfolio company.

### Considerations for Environmental and Social Disclosure Proposals

1. What is the proposal requesting and will that disclosure help shareholders assess the portfolio company's handling of a financially material issue?
2. What is the company currently doing today on this issue on an absolute basis and relative to peers?
3. Would the disclosure impose a high cost to the company and therefore to shareholders?

In many cases, portfolio companies are already disclosing information on the underlying issue, and the marginal benefit of the additional disclosure may be low. In other cases, the disclosure being requested may be non-standardized or subject to interpretation, making it unlikely to provide meaningful, actionable information. It is also important to consider if a company is being asked to disclose significantly more than peers and industry standards as this may put the company at a competitive disadvantage. In these situations, we consider if the issue is better addressed through regulatory action or broader advocacy by the investment industry.

We are more likely to support environmental and social shareholder proposals when we observe the portfolio company is not currently disclosing oversight of relevant material risks, is lagging peers in relevant disclosure, or is unresponsive to shareholder concerns.

# Stewardship Spotlight: Environmental and Social Priorities

## Key Statistics

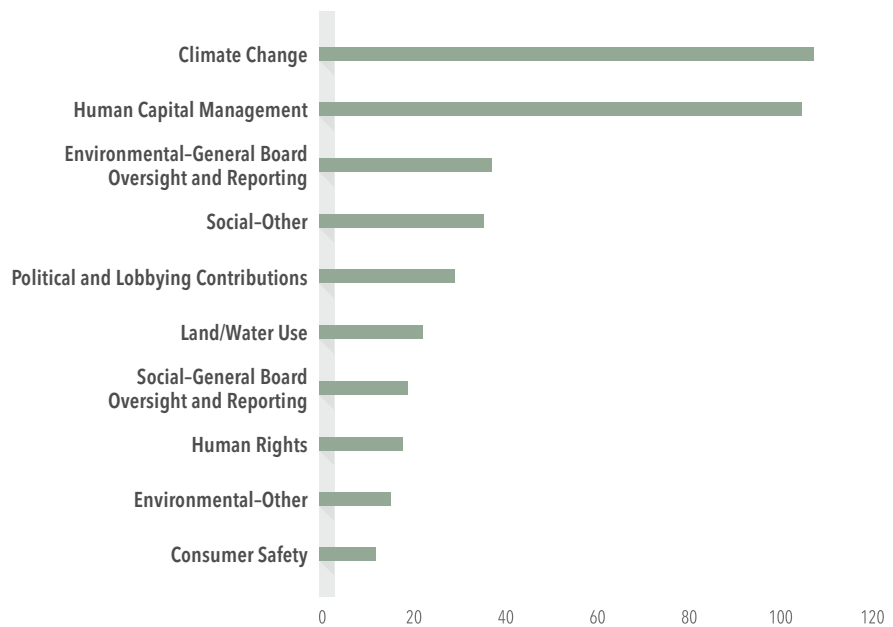
262

Engagements on Environmental and Social Oversight and Disclosure

Dimensional held over 100 discussions on climate change and 100 discussions on human capital topics with portfolio companies in proxy year 2020.

## Environmental and Social Oversight and Disclosures

Dimensional believes portfolio company boards should address material environmental and social risks that may have economic ramifications for shareholders and provide appropriate disclosure of such risks to shareholders.



Note: Engagements may cover multiple topics. Total number of topical discussions will exceed total number of portfolio company discussions due to many discussions covering multiple stewardship topics.

► **Dimensional’s Stewardship Perspective on Environmental and Social Oversight and Disclosures**

Dimensional believes that portfolio company boards are responsible for overseeing material environmental and social (E&S) issues within their duties. If a portfolio company is unresponsive to material E&S risks that may have economic ramifications for shareholders, Dimensional may vote against directors individually, committee members, or the entire board. We may engage with portfolio companies to better understand the alignment of the interests of boards and management with those of shareholders on these topics.

Dimensional evaluates shareholder proposals on environmental or social issues consistent with its general approach to shareholder proposals, paying particular attention to the portfolio company’s current handling of the issue, current disclosures, the financial materiality of the issue, market practices, and regulatory requirements. Dimensional may vote for proposals requesting disclosure of specific environmental and social data, such as information about board oversight, risk management policies and procedures, or performance against a specific metric, if we believe that the portfolio company’s current disclosure is inadequate to allowing shareholders to effectively assess the portfolio company’s handling of a material issue.

## Human Rights Report Shareholder Proposal at Pilgrim’s Pride Corporation

**Goal** Assess the portfolio company’s current handling of human rights risks and determine whether additional disclosure is necessary.

**Background** Pilgrim’s Pride, a large poultry producer, received a shareholder proposal requesting that the company prepare a report on its process for assessing, identifying, preventing, and mitigating actual and potential adverse human rights impacts.

The portfolio company recognized human capital management, including worker safety, and supply chain management as material risks in its annual report. SASB (Sustainability Accounting Standards Board) has also identified that workforce health and safety is a material risk for companies in the meat production industry. Dimensional’s research showed this portfolio company had a long history of controversies related to human rights, including numerous OSHA citations and a recent worker fatality.

The portfolio company did not disclose board or management oversight of risks related to human or labor rights. Additionally, the company had failed to act upon a similar proposal in the prior year, which ultimately received the support of the majority of independent shareholders.

**Dimensional’s Voting Considerations**

Recent Health/Safety Incidents
Current Portfolio Company Efforts
Lack of Board Oversight
Responsiveness to Shareholders

**Engagement** Given the severity of the portfolio company’s recent human rights issues, Dimensional engaged with the company to discuss this shareholder proposal and the company’s handling of human rights risks.

**Outcomes and Observations** In light of the company’s history of worker health and safety controversies, the lack of board and management oversight of the issue, and lack of responsiveness to shareholder concerns on these topics, Dimensional supported the proposal.

## Climate Change Report Shareholder Proposal at J.B. Hunt Transport Services

**Goal** Assess the portfolio company’s current handling of climate change risk and determine whether additional disclosure is necessary.

**Background** J.B. Hunt, a US-based transportation company, received a shareholder proposal requesting that it report on how it plans to reduce its contribution to climate change and align operations with the Paris Agreement. In its annual report, the portfolio company recognized climate change as a material risk. The company also stated it was exploring low carbon alternatives as part of its long-term goals. However, the company did not disclose any targets or provide any explanation of how it planned to measure its success in addressing climate change risk.

**Dimensional’s Voting Considerations**

Responsiveness to Shareholder
Current Portfolio Company Efforts
Peer Disclosures
Proposal Characteristics
Current Disclosures

**Engagement** Dimensional discussed the shareholder proposal with the portfolio company and sought to better understand the company’s current disclosure of practices related to climate change risks and what the company was doing to oversee climate risk, as well as the company’s response to similar proposals in prior years.

**Outcomes and Observations**

Dimensional considered whether increased disclosure about oversight of material environmental risks may be beneficial to shareholders. We also considered the specifics of the shareholder proposal, which were general in nature and allowed company management some discretion in creating effective disclosure. Though the company identifies climate change as a material risk, our research and engagement indicated that the portfolio company lagged industry peers in environmental disclosure. In addition, we considered the portfolio company’s response to past shareholder proposals on similar topics.

Based on these considerations, Dimensional voted for the climate change report proposal. Ultimately, the proposal passed at the company’s annual meeting.

## Greenhouse Gas Emissions Shareholder Proposal at Total SE

**Goal** Assess the portfolio company's current handling of risks from greenhouse gas emissions and determine whether additional disclosure is necessary.

**Background** Total SE, a French oil and gas company, received a shareholder resolution requesting an amendment to the portfolio company's articles of association to disclose greenhouse gas (GHG) emissions in line with the Paris agreement. The portfolio company recognizes climate change as a material risk in its annual financial report.

**Dimensional's Voting Considerations**

Current Portfolio Company Efforts
Current Disclosures
Board Oversight of Climate Risks

**Engagement** Dimensional engaged with the Total SE to discuss the portfolio company's opposition to the shareholder proposal. The portfolio company shared that it has board-level oversight of climate issues through its Strategy and Corporate Social Responsibility Committee and discloses its Scope 1, 2, and 3 emissions, as well as a carbon intensity measure. Further, the portfolio company has recently announced that it intends to achieve net-zero emission on its worldwide operations by 2050 (Scopes 1 and 2), achieve carbon neutrality on its production and energy products used by its customers in Europe by 2050 (Scopes 1, 2 and 3), and achieve 60% reduction in the average carbon intensity by 2050.

**Outcomes and Observations** After engaging with the portfolio company and reviewing publicly available materials, we believe the portfolio company has disclosed adequate information on the role of the board in overseeing climate change risks. The company also discloses sufficient emissions and carbon intensity metrics. We also considered that the portfolio company had announced plans to reduce emissions to net zero by 2050. In light of these considerations, Dimensional voted against the proposal.



## Risk Oversight Following Dam Collapse at Vale SA

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<b>Goal</b>	Evaluate board oversight of material environmental and social risks from the portfolio company's operations.
<b>Background</b>	<p>In 2015, a mine co-owned by Vale collapsed, after which the company pledged to improve safety at other dams; however, in 2019, Vale experienced another mine collapse, which caused significant harm to surrounding communities and the environment. Following the collapse, we observed a meaningful decline in the portfolio company's stock price, and there were threats of regulatory and legal action against the portfolio company.</p>
<b>Engagement</b>	<p>Dimensional engaged with Vale SA in September 2019 to discuss its response to the dam collapse. During the engagement, the portfolio company shared an update on the steps it was taking to improve its risk management and reporting processes. Dimensional stressed the importance of disclosing to shareholders the actions taken in response to the incident and the policies and procedures in place to identify and mitigate risk in the future. The portfolio company shared that disclosure is a major focus moving forward and pointed to a new ESG section on its website.</p> <p>Ahead of the 2020 shareholder meeting, Dimensional engaged again with Vale. The portfolio company highlighted the appointment of two new directors with significant technical expertise related to mining to the board following the resignation of two directors in November 2019. The portfolio company also noted the recent creation of an audit committee and plans to establish a formal nominating committee. Dimensional raised concerns with the overall level of board independence, which, although in compliance with listing standards, was still relatively low. The two new directors appointed in December 2019 were classified as non-independent.</p>
<b>Outcomes and Observations</b>	<p>One of the most important measures aimed at ensuring that portfolio company shareholders' interests are represented is an independent board of directors, who can effectively oversee management and manage risk. We do not believe the addition of two new non-independent directors contributed to the level of independent oversight needed to appropriately manage risk in light of the recent environmental controversies at Vale. Therefore, we voted against the bundled election of directors at the Vale 2020 shareholder meeting. Despite Dimensional's vote against, the directors were elected at the meeting.</p>

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## Political and Lobbying Expenditure

Dimensional believes that portfolio companies should disclose board oversight of political and lobbying activities and the steps a portfolio company's board takes to ensure that political and lobbying activities and membership in trade associations and industry groups are in line with the company's strategy and stated public positions. However, Dimensional believes that individual political and lobbying contributions are part of a portfolio company's business strategy and disclosing the details of such contributions could place a company at a competitive disadvantage.

### ► Dimensional's Stewardship Perspective on Political and Lobbying Expenditure

Boards should have clear oversight of political and lobbying-related expenditure and should ensure that such spending is in line with shareholder interests. In evaluating a portfolio company's policies related to political and lobbying expenditure, we expect the following practices:

- We expect the board to adopt policies and procedures to oversee political and lobbying expenditures.
- We expect the details of the board oversight, including the policies and procedures governing such expenditures, to be disclosed publicly.
- We expect that board oversight of political and lobbying activities, such as spending, should include ensuring that the portfolio company's publicly stated positions are in alignment with its related activities and spending.
- We do not necessarily expect companies to publicly disclose specific expenditures, as we recognize that such disclosure could place the portfolio company at a competitive disadvantage.

## Political and Lobbying Expenditure Letter Campaign

### Campaign Goal

Advocate for disclosure of board oversight of political and lobbying spending at portfolio companies lacking disclosure.

Dimensional expects the boards at portfolio companies to adopt policies and procedures to oversee political and lobbying expenditures. It is important these expenditures are aligned with the company’s strategy and shareholder interests. We also expect information about this oversight, including related policies and procedures, to be publicly disclosed.

Our stewardship research identified 54 S&P 500 companies that were lacking, or not disclosing, adequate oversight policies and procedures related to political and lobbying expenditures. The Investment Stewardship team sent targeted letters in November 2019.

### Observations

Fourteen companies have updated their disclosures since November 2019 in a manner consistent with the practices outlined in the letter.<sup>8</sup> We continue to monitor portfolio companies that have not been responsive.



8. Observed instances of increased disclosure of board oversight of political spending and lobbying expenditure at portfolio companies that received letters. These outcomes are not necessarily a result of Dimensional’s letters or actions. Figures as of June 30, 2020. This campaign is ongoing. Dimensional from time to time discusses governance matters with portfolio companies to represent client interests; however, regardless of such conversations, Dimensional, on behalf of its clients, acquires securities solely for the purpose of investment and not with the purpose or intended effect of changing or influencing the control of any portfolio company.

## Engagement with Digital Realty

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<b>Goal</b>	Understand the portfolio company's response to our letter campaign and its approach to disclosure of board oversight of political and lobbying and spending.
<b>Background</b>	As part of Dimensional's letter campaign, we contacted Digital Realty, a US REIT, in order to raise our concerns about its current practices and disclosures related to political lobbying and oversight. We believed that shareholders would benefit from improved disclosure on this issue in order to evaluate whether there was appropriate oversight of these expenditures.
<b>Engagement</b>	In June 2020, Dimensional engaged with Digital Realty in order to discuss the letter and any progress the company had made in responding to the concerns we voiced related to political and lobbying expenditure oversight. The company noted that its investor relations team had shared the letter with senior executives. The portfolio company agreed that the policy and spending related to these activities should be overseen by the board.
<b>Outcome</b>	<p>The portfolio company added specific language in its 2020 proxy statement stating that the board adopted a policy that provides a governance framework for the company's contributions. The board has oversight and control of the company's engagements with federal, state, and local governments in the US on public policy issues essential to its business.</p> <p>The portfolio company shared with Dimensional that this new disclosure and the adoption of this policy was done considering the corporate governance practices outlined in Dimensional's letter.</p>

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## Voting Considerations at Royal Caribbean Group

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<b>Goal</b>	Assess the portfolio company's lack of response to letter campaign and determine appropriate voting action.
<b>Background</b>	<p>In November 2019, Dimensional sent a letter to Royal Caribbean, a US-based cruise company, expressing our concerns about its disclosure on political and lobbying expenditure oversight. While the portfolio company already disclosed a political contribution policy, it was unclear to Dimensional whether the policy covers lobbying expenditure and membership in trade associations and other groups that may engage in political activity on behalf of members. Furthermore, the policy only detailed management oversight of political contributions and did not identify any board-level oversight mechanisms. As part of Dimensional's original letter, we encouraged the portfolio company to disclose board oversight of political and lobbying contributions, and noted that we reserve the ability to vote against directors if the portfolio company is unresponsive to shareholder concerns.</p>
<b>Engagement</b>	<p>Dimensional did not hear from the portfolio company following receipt of our letter. We subsequently followed up with the company on several occasions, through both additional letters and phone inquiries. The company was unresponsive.</p>
<b>Outcomes and Observations</b>	<p>As 2020 progressed, the travel industry was particularly hard hit by the COVID-19 crisis. Given that 2020 is an election year and the travel industry will be impacted by a range of public policy decisions related to economic relief and health and safety regulations, we anticipate that political and lobbying spending could increase, making robust board oversight even more important to protecting shareholder interests.</p> <p>Given the insufficient information provided by the portfolio company to assess board oversight of political and lobbying contributions and the unresponsiveness of the portfolio company to Dimensional's letter and subsequent inquiries, we voted against members of the board's Audit Committee, which is responsible for risk oversight.</p>

# Industry Participation and Public Policy Advocacy

As part of our commitment to encouraging strong governance, Dimensional is a signatory to stewardship codes across regions of the world in which we invest. We also seek to promote governance best practices that we believe can benefit investors through wider adoption by participating in industry groups, events, and surveys. Additionally, we look for opportunities to improve internal processes through our participation in industry events and from our own research efforts.

## Industry Participation and Public Policy Advocacy

International Corporate Governance Network
Council of Institutional Investors
Investment Association
The Harvard Law School: Program of Institutional Investors
Investment Company Institute (Proxy Voting Group and ESG Working Group)
Task Force on Climate-related Financial Disclosures
CFA Society of Los Angeles ESG Advisory Committee
Sustainability Accounting Standards Board (SASB)

## Engagement with Policy Makers

Dimensional engages with regulators, policy makers, and advocacy groups on key stewardship issues in order to advocate for practices and market structures that we believe promote well-functioning markets that benefit shareholders and their interests. Through these advocacy efforts, we believe we can encourage positive developments that will benefit our clients and investors around the world.

## US Government and Accountability Office (GAO): ESG Disclosures

### Background

In the second half of 2019, the US Government Accountability Office (GAO) undertook a review of the current state of disclosure related to environmental, social, and governance factors and considered the options available to enhance such disclosures. In order to create its report, the GAO reviewed disclosures on 33 ESG topics at 32 companies. Additionally, the GAO reviewed policy proposals and interviewed various stakeholders, including 18 public companies, 13 market observers (for example, academics or standard setting organizations), and 14 institutional investors, including Dimensional.

The GAO's final report, submitted to Senator Mark Warner, was published in July 2020.

#### Dimensional's Role

Dimensional was one of seven private-sector asset managers interviewed and surveyed for the GAO's report. The GAO was interested in understanding if Dimensional sought greater ESG disclosures from companies in which our strategies invest, and in exploring possible options to improve ESG disclosures.

### Engagement

In September 2019, Dimensional representatives had a discussion with representatives from the GAO. The discussion focused on Dimensional's perspective on the key issues of the GAO's inquiry: namely, understanding how asset managers view the role of ESG disclosure and how ESG disclosures may be improved.

Dimensional was able to share our perspective that it is important for portfolio company boards to address material environmental and social issues, and that information about the oversight and mitigation of such risks should be disclosed by portfolio companies.

### Outcomes and Observations

The final report from the GAO is available on its website ([gao.gov](https://www.gao.gov)).<sup>8</sup> The GAO found that many managers, like Dimensional, use ESG data to better understand risks that portfolio companies face. Additionally, many managers believe that reducing the inconsistencies between companies' ESG disclosures would improve the disclosures' usefulness.

The GAO also reported that there were notable inconsistencies in what ESG data companies report and, perhaps even more critically, inconsistencies in the methods and measures companies used to arrive at their disclosures. One example cited in the report, which Dimensional has studied closely, was the differences in how companies report their carbon dioxide emissions.

## Proxy Advisory Letter (SEC)

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### Background

In November 2019, the SEC proposed amendments to the rules governing proxy advisors. The stated goal of the proposed amendments was “to help ensure that investors who use proxy voting advice receive more accurate, transparent, and complete information on which to make their voting decisions.”<sup>10</sup> This rule was primarily intended to allow issuers to obtain and comment on proxy advisor research before the research is released by a proxy advisor to its clients.

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### Engagement

Dimensional submitted a letter to the SEC raising concerns with the part of the proposal that would allow issuers to review and comment on a proxy advisory firm’s draft advice before proxy advisory firm clients, such as Dimensional. One of our primary concerns was that the proposal, if adopted, could undermine the delivery of accurate, transparent, and complete proxy voting advice without undue delay or cost to firms such as Dimensional. Ultimately, this could lead to a diminished voice for investors and less rigorous oversight of management at issuer companies. Dimensional also echoed concerns raised by the SEC Investor Advisory Committee that such a review framework could risk the independence of proxy voting advice provided by proxy advisors. Finally, Dimensional also raised concerns that proposed changes would increase the cost of proxy advisory services, which would be detrimental to investors.

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### Outcome

The SEC released the new proxy advisor rules on July 22, 2020. Dimensional was pleased to see that the final SEC rules provide for the release of research to issuers and proxy advisor clients at the same time, rather than allowing prereview by issuers. We believe this concurrent review will support proxy advisor clients receiving independent and timely research.

#### Summary of Proposed Rule Impacts

- Allow issuers a chance to review and comment on proxy advisory recommendations prior to the recommendations being provided to advisory firm clients.
- Require inclusion of an issuer response to proxy advisory recommendation if requested by the issuer.
- Require disclosure by proxy advisory firm of conflicts of interest between the firm and the issuer.

Source: *Harvard Law School Forum on Corporate Governance*.

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10. Amendments to Exemptions from the Proxy Rules for Proxy Voting Advice, SEC Release No. 34-87457 (available at [sec.gov/rules/proposed/2019/34-87457.pdf](https://www.sec.gov/rules/proposed/2019/34-87457.pdf)).



# Appendix: Portfolio Companies Engaged in 2020

**Dimensional conducted at least one engagement each with the following global portfolio companies during proxy year 2020.**

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## Company Name

Aareal Bank	Anthem, Inc.	Bayerische Motoren Werke AG
ABM Industries, Inc.	Apache Corporation	Bed Bath & Beyond, Inc.
Adecco Group AG	Apartment Investment Management Co.	Berkeley Group Holdings PLC
Adient plc	Apple, Inc.	Berkshire Hills Bancorp, Inc.
Adtalem Global Education	Arch Coal, Inc.	BHP Group Ltd
AECOM	Arcosa, Inc.	BioLife Solutions, Inc.
Affiliated Managers Group, Inc.	Argan, Inc.	BJ's Wholesale Club Holdings, Inc.
AGCO Corp.	Argo Group International Holdings, Ltd.	BlackBerry Limited
AGL Energy	Arkema SA	The Boeing Company
Aircastle Ltd	Armstrong Flooring, Inc.	Bonanza Creek Energy, Inc.
Alacer Gold Corp.	ASGN, Inc.	Boral Ltd
Alarm.com Holdings, Inc.	Associated Banc-Corp	BorgWarner, Inc.
Alaska Air Group, Inc.	ASX Ltd	The Boston Beer Company, Inc.
Albioma SA	At Home Group, Inc.	Bovis Homes Group PLC
Alexander & Baldwin, Inc.	Atlantic Union Bancshares Corporation	Brighthouse Financial, Inc.
Alexandria Real Estate Equities, Inc.	Atlas Air Worldwide Holdings, Inc.	Bristol-Myers Squibb Co
Alfa SAB de CV	Atsugi Co., Ltd.	Build-A-Bear Workshop, Inc.
Allegheny Technologies, Inc.	Avangrid, Inc.	Bunge Limited
Allegiant Travel Co	Avanos Medical, Inc.	Business First Bancshares, Inc.
Allied Properties Real Estate Investment Trust	Avery Dennison Corp	Calavo Growers, Inc.
Alphabet, Inc.	Avnet, Inc.	California Resources Corp
Alps Alpine Co., Ltd.	Balfour Beatty PLC	Cannae Holdings, Inc.
AMAG Pharmaceuticals, Inc.	Baloise Holding AG	Capital One Financial Corporation
Amazon.com, Inc.	Bank of America Corp	CAR, Inc.
Ambac Financial Group, Inc.	Bank of Georgia Group Plc	Cardinal Health, Inc.
AMC Networks, Inc.	Bank of Marin Bancorp	Cardtronics PLC
American International Group, Inc.	Barnes & Noble, Inc.	Carsales.com Ltd
American Outdoor Brands Corp	Barnes Group, Inc.	Celanese Corp
American Tower Corp	Bayer AG	Centene Corp
Ampol Ltd		CenturyLink, Inc.
AngloGold Ashanti Ltd.		CEVA, Inc.

CF Industries Holdings, Inc.	Dell Technologies, Inc.	Fastenal Company
Challenger Ltd	Delta Air Lines, Inc.	Federal Realty Investment Trust
Chart Industries, Inc.	Delta Apparel, Inc.	FedNat Holding Company
The Chemours Company	Denison Mines Corp.	Ferrexpo Plc
Chevron Corp	Deutsche Bank AG	Fifth Third Bancorp
The Children's Place, Inc.	Deutsche Lufthansa AG	First Hawaiian, Inc.
Chipotle Mexican Grill, Inc.	DEUTZ AG	First Northwest Bancorp
Chubb Ltd	Devon Energy Corporation	First Republic Bank
Cigna Corp.	DHI Group, Inc.	First United Corporation
CIT Group, Inc.	Dialog Semiconductors	Flex Ltd
Citizens, Inc.	Diebold Nixdorf, Inc.	Flowers Foods, Inc.
Cleanway Waste Management	Digital Realty Trust, Inc.	Fluor Corp
CNO Financial Group, Inc.	Dixons Carphone Plc	Flushing Financial Corporation
CNX Resources Corporation	Dollar Tree, Inc.	Fortescue Metals Group
Cogent Communications Holdings, Inc.	Domtar Corp	Fortinet, Inc.
Comcast Corp	dormakaba Holding AG	Foxtons Group PLC
Community Bank System, Inc.	Douglas Emmett, Inc.	Frontdoor, Inc.
CommVault Systems, Inc.	Dover Corp	Fujitec Co., Ltd.
CompuGroup Medical SE	Drax Group Plc	GAM Holding AG
Concho Resources, Inc.	DTE Energy Company	GameStop Corp.
Conn's, Inc.	DXC Technology Co.	Gannett Co., Inc.
ConocoPhillips	Eagle Bancorp, Inc.	Gaztransport & Technigaz SA
ConvaTec Group PLC	Eagle Pharmaceuticals, Inc.	GCP Applied Technologies, Inc.
Corning, Inc.	Eastman Chemical Company	General Electric Co
Covivio	Empire State Realty Trust, Inc.	General Motors Co
Covivio SA	Endo International PLC	Genuine Parts Company
Cowen, Inc.	Enerplus Corp	Genworth Financial, Inc.
Cracker Barrel Old Country Store, Inc.	Enphase Energy, Inc.	G-III Apparel Group, Ltd.
Credit Suisse Group AG	Entercom Communications Corp	Glanbia Plc
Crown Resorts Ltd	Enzo Biochem, Inc.	Gold Fields Ltd.
CSR Limited	EQT Corp	Golden Agri-Resources Ltd
Cubic Corp	Equifax, Inc.	The Goldman Sachs Group, Inc.
Customers Bancorp, Inc.	Equitable Group, Inc.	Goodman Group
CVS Health Corp	Esprinet SpA	The Goodyear Tire & Rubber Company
CYBG PLC	Euskaltel SA	Grafton Group PLC
CymaBay Therapeutics, Inc.	Evercore Partners, Inc.	Great Lakes Dredge & Dock Corp
Daimler AG	Express, Inc.	The Greenbrier Companies, Inc.
Darling Ingredients, Inc.	Exterran Corp	Greencore Group PLC
DaVita, Inc.	Exxaro Resources Ltd	Greif, Inc.
	Facebook, Inc.	

Griffon Corp	Iteris, Inc.	MacroGenics, Inc.
Gulf Keystone Petroleum Ltd	ITT, Inc.	Maeda Corp.
Gulfport Energy Corporation	J.B. Hunt Transport Services, Inc.	Mallinckrodt PLC
Hammerson PLC	j2 Global, Inc.	ManpowerGroup, Inc.
Hanmi Financial Corporation	James River Group Holdings Ltd	Marathon Petroleum Corp
Harmony Gold Mining Company Limited	JBS SA	Matador Resources Company
The Hartford Financial Services Group, Inc.	Jefferies Financial Group, Inc.	Matson, Inc.
Harvard Bioscience, Inc.	JetBlue Airways Corp	McKesson Corp
Harvey Norman Holdings	Johnson & Johnson	Mears Group PLC
Hawaiian Holdings, Inc.	JPMorgan Chase & Co	Mediaset España Comunicacion SA
Hazama Ando Corp	Juniper Networks, Inc.	Medifast, Inc.
HC2 Holdings, Inc.	Jyske Bank A/S	Meridian Bioscience, Inc.
HCI Group, Inc.	Kaiser Aluminum Corp	Merrimack Pharmaceuticals, Inc.
Hecla Mining Company	KAZ Minerals PLC	Metcash Ltd
Hitachi Zosen Corp	Kimball International, Inc.	Microsoft Corp
Hochschild Mining PLC	Kingfisher PLC	Minerals Technologies, Inc.
HomeStreet, Inc.	KLX Energy Services Holdings, Inc.	Mitsubishi Corp
Horizon Therapeutics Plc	Knowles Corp	Mitsubishi Logistics Corp.
Hostess Brands, Inc.	Kraton Corp	Mitsui & Co., Ltd.
Howmet Aerospace, Inc.	Kyushu Railway Co.	Mizuho Financial Group, Inc.
HP, Inc.	Laboratory Corp of America Holdings	MJ Gleeson PLC
Humana, Inc.	LafargeHolcim Ltd	MMC Norilsk
Hyosung Corp.	Lagardere SCA	MOL Hungarian Oil and Gas Plc
iA Financial Corporation, Inc.	Lancashire Holdings Ltd	Moncler SpA
Iino Kaiun Kaisha Ltd	Laredo Petroleum, Inc.	Mondelez International, Inc.
Immersion Corporation	Lattice Semiconductor Corp	Monmouth Real Estate Investment Corp
Inchcape PLC	Laurentian Bank of Canada	Morgan Stanley
Indivior Plc	Lawson Products, Inc.	Murphy Oil Corp
Infosys Ltd	Lazard Ltd	Mytilneos Holdings SA
Ingles Markets, Inc.	La-Z-Boy, Inc.	Nabors Industries Ltd.
Intel Corp	LCI Industries	National Australia Bank Ltd
Intel Corporation	LendingClub Corp.	National Bank Holdings Corporation
Intellia Therapeutics, Inc.	Leonardo SpA	National Vision Holdings, Inc.
InterDigital, Inc.	Leopalace21 Corp	NCR Corporation
Intevac, Inc.	Lincoln National Corp	NetScout Systems, Inc.
Intra-Cellular Therapies, Inc.	Lloyds Banking Group PLC	New Senior Investment Group, Inc.
Intrepid Potash, Inc.	Lookers Plc	Nexans SA
IPG Photonics Corporation	M.D.C. Holdings, Inc.	NextDC Ltd
	Mack-Cali Realty Corporation	Nicox SA

Nielsen Holdings Plc	Pfizer, Inc.	Rexel SA
Nippon Chemi-Con Corp	Pharos Energy Plc	RH
Nippon Yusen KK	Phillips 66	Rheinmetall AG
Noble Corp plc	Pilgrim's Pride Corp	RigNet, Inc.
Noble Energy, Inc.	Piper Jaffray Cos	Rio Tinto Ltd
Nomura Holdings, Inc.	Piraeus Bank SA	Rite Aid Corporation
Norfolk Southern Corp	Pitney Bowes, Inc.	Robert Walters Plc
Northam Platinum Ltd	Playtech plc	Rotork Plc
Nuance Communications, Inc.	Premier Foods PLC	Royal Bafokeng Platinum Ltd
NVR, Inc.	Premier Oil PLC	RR Donnelley & Sons Co
Oasis Petroleum, Inc.	Primerica, Inc.	Ruth's Hospitality Group, Inc.
Oil States International, Inc.	Primoris Services Corp	Ryosan Co Ltd
Old Mutual Ltd.	Progenics Pharmaceuticals, Inc.	Sabre Corp
On Deck Capital, Inc.	Prologis, Inc.	Saga PLC
Ontex Group NV	Prothena Corp PLC	Sam Yung Trading
Opus Bank	Provident Financial Holdings, Inc.	Samsung Electronics Co Ltd
Oracle Corp	Public Storage	Sanderson Farms, Inc.
O'Reilly Automotive, Inc.	Publicis Groupe SA	SandRidge Energy, Inc.
Origin Energy Ltd	Qantas Airways Ltd	Sanmina Corp
ORIX Corp.	QBE Ltd	Santander Consumer USA Holdings, Inc.
Ormat Technologies, Inc.	QEP Resources, Inc.	Santos Ltd
Orrstown Financial Services, Inc.	QinetiQ Group PLC	Saracen Mineral Holdings
OUTFRONT Media, Inc.	QTS Realty Trust, Inc.	Sasol Ltd
Overstock.com, Inc.	Qualys, Inc.	SBA Communications Corp.
Ovintiv, Inc.	Quanta Services, Inc.	Schnitzer Steel Industries, Inc.
Owens & Minor, Inc.	Ralph Lauren Corp	Scor SE
Owens Corning	Range Resources Corp	SEACOR Holdings, Inc.
OZ Minerals Ltd	Rayonier Advanced Materials, Inc.	Seek Ltd
PageGroup plc	Realogy Holdings Corp	Sekisui House, Ltd.
Papa John's International, Inc.	Realty Income Corp	Semtech Corp
Paragon Banking Group PLC	Red Robin Gourmet Burgers, Inc.	SHARINGTECHNOLOGY.INC
Patrick Industries	Redrow Plc	Shinhan Financial Group
PDL BioPharma, Inc.	Regions Financial Corp	Sibanye Stillwater Ltd
Peabody Energy Corp	Regis Corp	Sigma Healthcare Limited
Pendragon Plc	Reinsurance Group of America, Inc.	Signature Bank
Perdoceo Education Corporation	Repligen Corp	Singapore Airlines Limited
Perenti Global Limited	Republic Services, Inc.	Six Flags Entertainment Corp.
PetMed Express, Inc.	Resideo Technologies, Inc.	Sky West, Inc.
Petra Diamonds Ltd	Resolute Mining Ltd	Skyworks Solutions, Inc.
Petropavlovsk PLC	Retrophin, Inc.	

SL Green Realty Corp.	Telecom Italia SpA	Vale SA
Snap-on, Inc.	Television Broadcasts Limited	Vectrus, Inc.
Softcat PLC	Temenos AG	Veritiv Corp
Solocal Group	Tempur Sealy International, Inc.	Verso Corp
South Jersey Industries, Inc.	Tenet Healthcare Corporation	Vesuvius PLC
Southwestern Energy Co	Teradata Corp	ViaSat, Inc.
Speedy Hire Plc	Territorial Bancorp, Inc.	Vinci SA
SPX Corp.	Tetra Tech, Inc.	Virtus Investment Partners, Inc.
SSP Group Plc	TETRA Technologies, Inc.	Viscofan SA
Standard Chartered PLC	Texas Capital Bancshares, Inc.	Vocera Communications, Inc.
Stifel Financial Corporation	Textron, Inc.	Vornado Realty Trust
Stobart Group Ltd	The Children's Place	Walker & Dunlop, Inc.
Stoneridge, Inc.	Tokyo Electric Power Co Holdings, Inc.	Wells Fargo & Co
Stratasys Ltd	Toll Brothers, Inc.	Welltower, Inc.
Suncorp Group Ltd	Toshiba Machine Co Ltd	Wesfarmers Ltd
Sunrise Communications Group AG	TOTAL SA	West Bancorporation, Inc.
SunRun, Inc.	TransDigm Group, Inc.	Western Areas Ltd
Super Micro Computer, Inc.	TreeHouse Foods, Inc.	Westpac Banking Corp.
Superior Industries International, Inc.	Twitter, Inc.	White Mountains Insurance Group Ltd
Swiss Prime Site AG	UDR, Inc.	Whitehaven Coal
Synalloy Corporation	UMH Properties, Inc.	Whitestone REIT
Synaptics, Inc.	Unisys Corporation	Wienerberger AG
SYNNEX Corporation	United Airlines Holdings, Inc.	Williams-Sonoma, Inc.
Tabcorp Holdings Ltd	United Natural Foods, Inc.	Wincanton Plc
Taiyo Holdings Co Ltd	United Parcel Service, Inc.	Woodside Petroleum Ltd
Tanger Factory Outlet Centers, Inc.	United States Steel Corp	Xerox Holdings Corporation
Targa Resources Corp	United Therapeutics Corp	Xperi Corp
Team, Inc.	Univar Solutions, Inc.	XPO Logistics, Inc.
Tech Data Corp	Universal Health Realty Income Trust	Zimmer Biomet Holdings, Inc.
TechnipFMC PLC	Unizo Holdings Co Ltd	Zovio, Inc.
TEGNA, Inc.	UPM-Kymmene Oyj	
Teijin Ltd	Valaris plc	
Tele Columbus AG		

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