



# It's Your Money

## INVESTMENT WORLD

Presented by: Kirk Ito | May 2025 | It's Your Money Group



**Index Fund Advisors**  
WEALTH MANAGEMENT • TAXES

# YOUR PRESENTER



## Kirk Ito

Financial Planning  
Analyst , CFP®



With more than 20 years of experience in financial planning, Kirk Ito likes to focus on the intangibles of a client's unique financial situation. As a Financial Planning Analyst at IFA, this means helping clients prioritize their goals by asking the right questions. This combined with the important numbers enables him to take advantage of advanced software tools to create and maintain holistic financial plans.

Kirk is fascinated by the psychology surrounding money. Since everyone approaches different financial situations in a different way, he views planning as more than just an exercise in collecting information. His emphasis at IFA is helping individuals and their families to build a financial blueprint and stick to it through life's ups and downs.

Ito started his career as a planner in 2004 at a large financial services company. He joined IFA in 2022 to apply his experience as a financial planner at an independent wealth management firm dedicated to serving as a true fiduciary — i.e., working on behalf of the client's best interests, not its own business interests.

Ito lives in Orange County, California with his wife and two children. When he's not chasing his children around the soccer field or swimming pool, Kirk is likely to be found with his family camping in the mountains, fishing or golfing.



# ABOUT IFA



**Index Fund Advisors**  
WEALTH MANAGEMENT • TAXES

## *Replacing Speculation With An Education*

Index Fund Advisors, Inc. (IFA) is a registered investment adviser and is based in Irvine, California. IFA is a fee-only advisory firm founded in 1999 to provide risk-appropriate investing strategies with a *fiduciary* standard of care.

IFA's investment advice and portfolio implementations are designed for individuals, trusts, endowments, foundations qualified retirement plans (Defined Benefit and Defined Contribution, including 401(a), 401(k), 403(b), and 457), nonqualified deferred compensation plans, and other accounts.



**OUR CLIENTS:**  
**IFA has 2,400+ clients**

**ASSETS UNDER MANAGEMENT (AUM):**  
**\$5.4 Billion** (as of Dec 31, 2024)

# ■ FIDUCIARY WEALTH SERVICES

IFA offers customized wealth management and portfolio strategies alongside online planning and referral services. IFA Wealth Advisors provide personalized advice to help clients achieve their long-term financial goals.

## Fiduciary Wealth Services



Wealth Management



Tax Returns & Accounting



Financial Planning



Retirement Planning



Pledged Asset Line



College Planning



Social Security Optimization



Charitable Giving



Estate Plan Analysis

## Referral Services



Estate Planning Attorneys



Insurance Services



Banking



Checking



Mortgages



Trustee Services



Credit Card



# ▼ CLIENTS HIRE IFA TO:

- Act With A Fiduciary Standard Of Care
- Select & Monitor Index Funds/ ETFs
- Design Portfolios To Align With Clients' Risk Tolerance And Investment Objectives
- Integrate Existing Holdings Into Portfolio
- Consult on Tax Efficiencies
- Provide Retirement Planning Services
- Recommend Estate Services
- Offer 401(k) Recommendations
- Review Overall Financial Picture, Including Non-managed Assets



# Registered Investment Advisor vs. Brokers



## Fee-Only Registered Investment Advisor

- Legally functions under the **fiduciary** standard
- A **fee-only** registered investment advisor does not sell products.
- Act with prudence, that is, with the skill, care, diligence and good judgment of a professional
  - A fee-only registered investment advisor is agnostic to the investment providers used when managing assets
- Full and fair disclosure of important facts
  - Internal fees are disclosed and exposed to negotiate lower costs. Fiduciary duty requires cost controls and making decisions based on participant and beneficiaries best interests
- Disclose all conflicts of interest, mitigate and fairly manage unavoidable conflicts in the client's interest, where possible.



## Registered Representative (Broker)

- Legally functions under the **best interest** standard, effective June 30, 2020
  - Must act in the best interest of the retail customer at the time the recommendation is made
  - Broker needs to take into consideration only the brokerage accounts available (not the overall relationship)
- Sells a product for a commission
  - **Transactional relationship** vs. ongoing
- Must exercise reasonable diligence, care, and skill
  - May be able to recommend more expensive security or investment strategy if there are other factors about the product or strategy that reasonably allow the broker to believe it is in the best interest of the retail customer, based on that retail customer's investment profile
  - Does not prevent a broker from offering only proprietary products, placing material limitations on the menu of products, or incentivizing the sale of such products through its compensation practices
- Identify and at a minimum disclose conflicts of interest (does not apply to associated persons of broker-dealer)



# Who Oversees the Financial Services Industry?

**The Security and Exchange Commission (SEC):** U.S. governmental agency that regulates securities transactions, activities of financial professionals and mutual fund trading to prevent fraud, manipulation and deception

**The Financial Industry Regulatory Authority (FINRA):** A self-regulatory organization (SRO) and the member regulation, enforcement and arbitration operations of the New York Stock Exchange. It is a non-governmental organization that regulates member brokerage firms and exchange markets



**The SEC is the government agency and ultimate regulator of the securities industry including FINRA**



# What Do These Licenses Mean?

Series 7: sell all securities products except commodities and futures

Series 24: supervise and manage branch activities at a broker-dealer

Series 53: supervise municipal securities activities of a securities firm or bank dealer

Series 63: holder can solicit orders for any type of security in a particular state

Series 65: holder can give investment advice



**Use [BrokerCheck.finra.org](https://brokercheck.finra.org) to do background check on any prospective advisor**





# How to Find a Financial Advisor



Not all advisers are created equal.  
Here are some important considerations:

**Fiduciary** – Make sure they legally function under the “fiduciary standard” and must act in your best interest and not simply under the “best interest standard”. Under the “best interest standard” it is more of a transactional relationship.

**Fee Only** – This aligns their interests with yours and reduces conflicts of interest (no product sales, no commissions, no referral fees).

Con’t



# How to Find a Financial Advisor



**Not all advisers are created equal.  
Here are some important considerations:**

**Assets should be held at a 3rd party custodian** – Have your assets with a custodian like Schwab, Fidelity or others for your protection.

**Confirm they can meet your individual needs:**

- Do they work with similar clients?
- How often will they meet with you?
- How do they make investment decisions?
- What services do they offer?

**Research potential Advisers and their firm:**

- Review Form ADV at <https://www.adviserinfo.sec.gov>.
- Use Broker Check to see advisers background and potential disciplinary history at <https://brokercheck.finra.org/>.





## 2 MAJOR INVESTMENT PHILOSOPHIES

### Active vs. Passive investing

**Active** implies there's a way to beat the market

**Passive** says long-term no proof someone can beat the market, so most efficient to buy the market using broad-based index funds



# IFA INVESTMENT PRINCIPLES

Five chief principles that inform the IFA model are as follows:

1. Financial markets are efficient
2. Risk and return are inseparable
3. Diversification is essential
4. Structure explains performance
5. Advisor Advantage

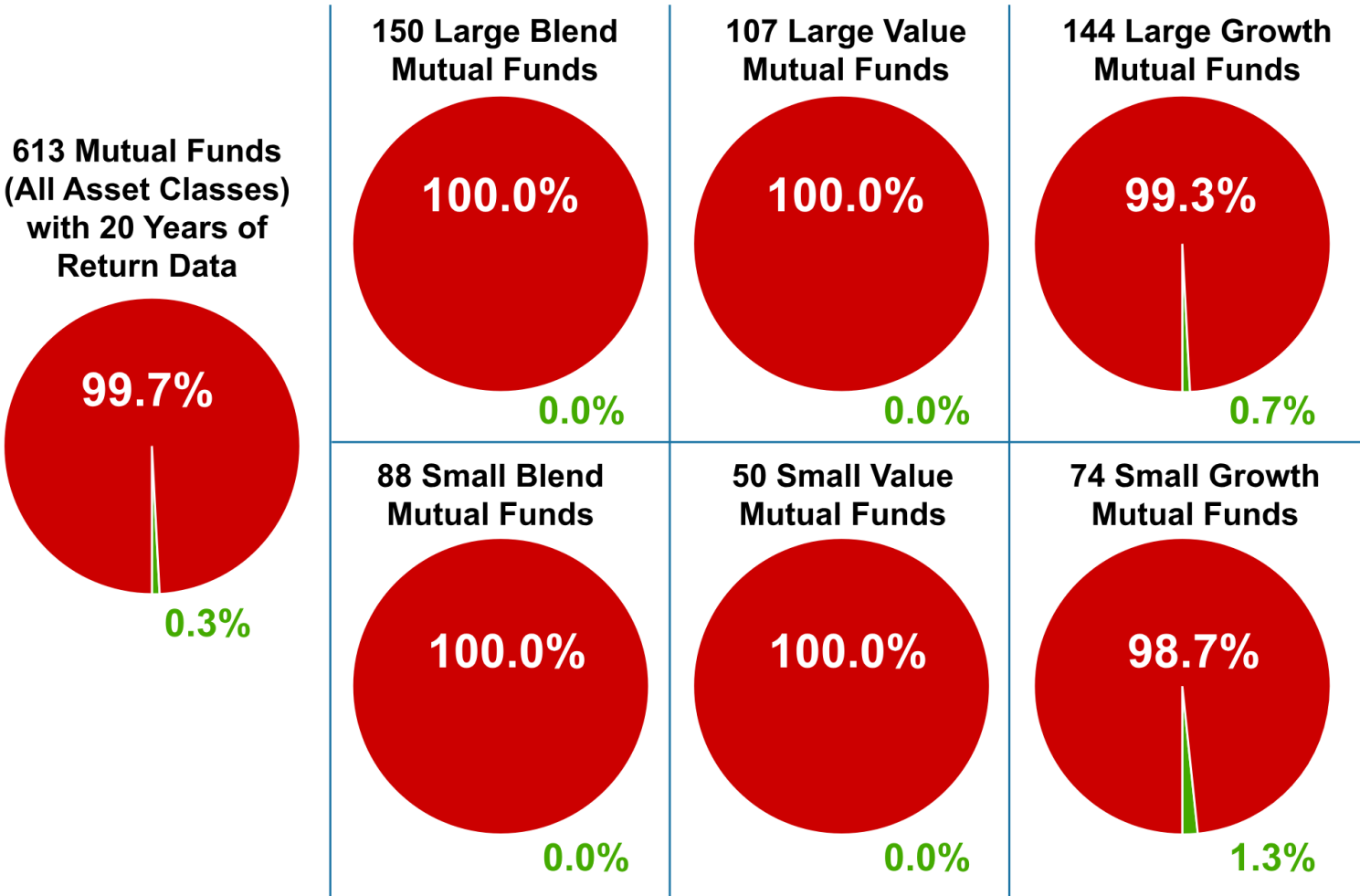




# Evidence of a Lack of Stock Picking Skill Among Fund Managers

20 Years (1/1/2002 - 12/31/2021) Returns Adjusted using Fama/French 3 Factor Model

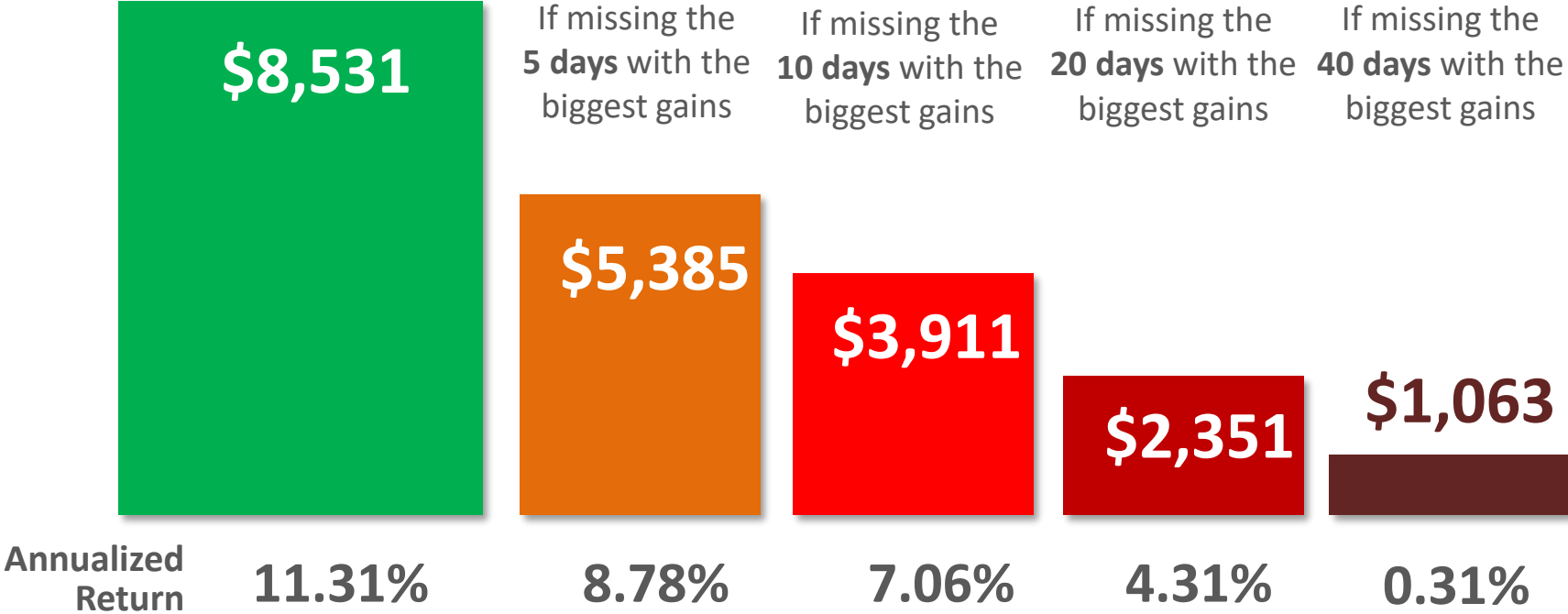
- % of Managers Without Statistically Significant Positive Alpha (t-stat <2)
- % of Managers With Statistically Significant Positive Alpha (t-stat ≥2)



Sources, Updates, and Disclosures: © Morningstar, Inc., IFA. Source of Data: Equity Style Boxes and Morningstar Categories with at least 90% US equity, including Large Blend, Large Value, Large Growth, Small Blend, Small Value, and Small Growth. Then funds sorted by oldest share class with inception date prior to 1994. The “t-stat” tests whether or not a given sample mean is statistically different from zero. See t-stat in glossary. Past performance does not guarantee future results. Performance figures may contain both live and HYPOTHETICAL back-tested data. All data, including performance data, is provided for illustrative purposes only, it does not represent actual performance of any client portfolio or account and it should not be interpreted as an indication of such performance. Fund returns are shown net of mutual fund fees and include the reinvestment of dividends and capital gains. However, the performance data does not include the deduction of IFA’s advisory fees, transaction costs, taxes or any other expenses, which would reduce returns by those amounts. {{DFAVS}} © 2024 Index Fund Advisors, Inc. (IFA.com)

**If You Invested \$1,000 in the IFA SP 500 Index For Over 20 Years**  
(1/1/2005 – 12/31/2024) | Of the total 5,051 trading days

**Value of \$1,000 at the  
End of the Period**  
If invested in full period

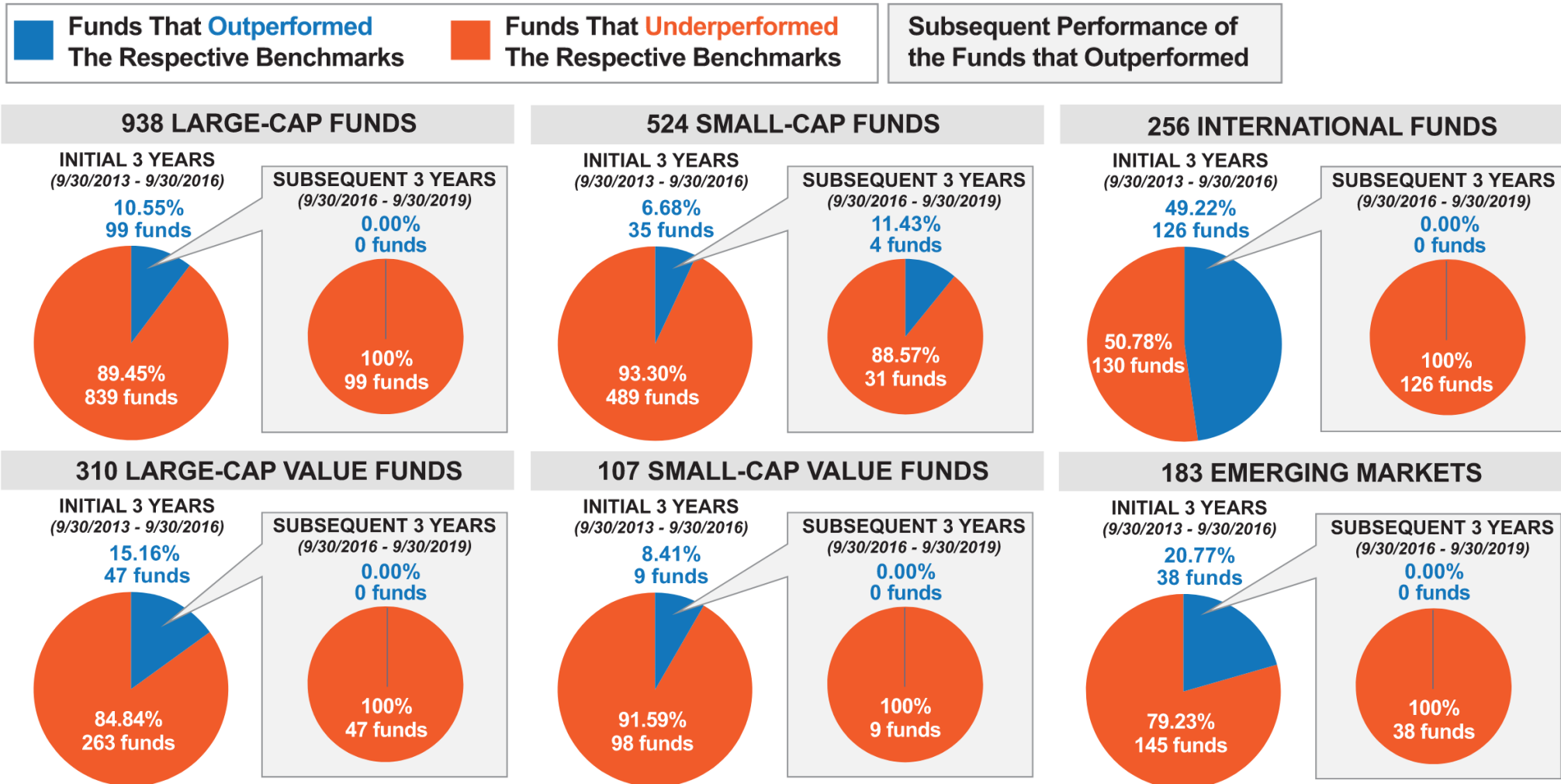


\*Data in IFA S&P 500 includes DFUSX from 1/2000-6/2017 and SWPPX from 7/2017 to present. HYPOTHETICAL backtested performance is provided for illustrative purposes only, it does not represent the actual performance of any client portfolio or account and it should not be interpreted as an indication of such past or future performance. For HYPOTHETICAL back-tested performance data shown in this chart, including sources, updates, and important disclosures, see ifabt.com. Indexes are labeled with letters to designate the index name and are defined at indexdescriptions.com. The IFA Indexes include several stock and bond indexes that represent a monthly data series that begins with index data from various sources on January 1, 1928. The construction of IFA Indexes data introduces live mutual fund data of funds that are similar to the preceding index upon the inception date of the funds and uses that monthly mutual fund data up to the current month. The HYPOTHETICAL back-tested performance of the indexes was achieved with the benefit of hindsight; it does not represent actual investment strategies for the entire period; and it does not reflect the impact that economic and market factors may have had on the advisor's decision making if the advisor were actually managing client money during the period shown. Unless indicated otherwise, the performance of the IFA Indexes when shown individually, does reflect the deduction of mutual fund fees, include reinvestment of dividends and capital gains but does not include the deduction of IFA advisory fees, transaction costs or taxes, which if included, would lower performance. IFA Indexes were created by IFA in 2000.



## Persistence of Outperformance by Actively Managed Funds

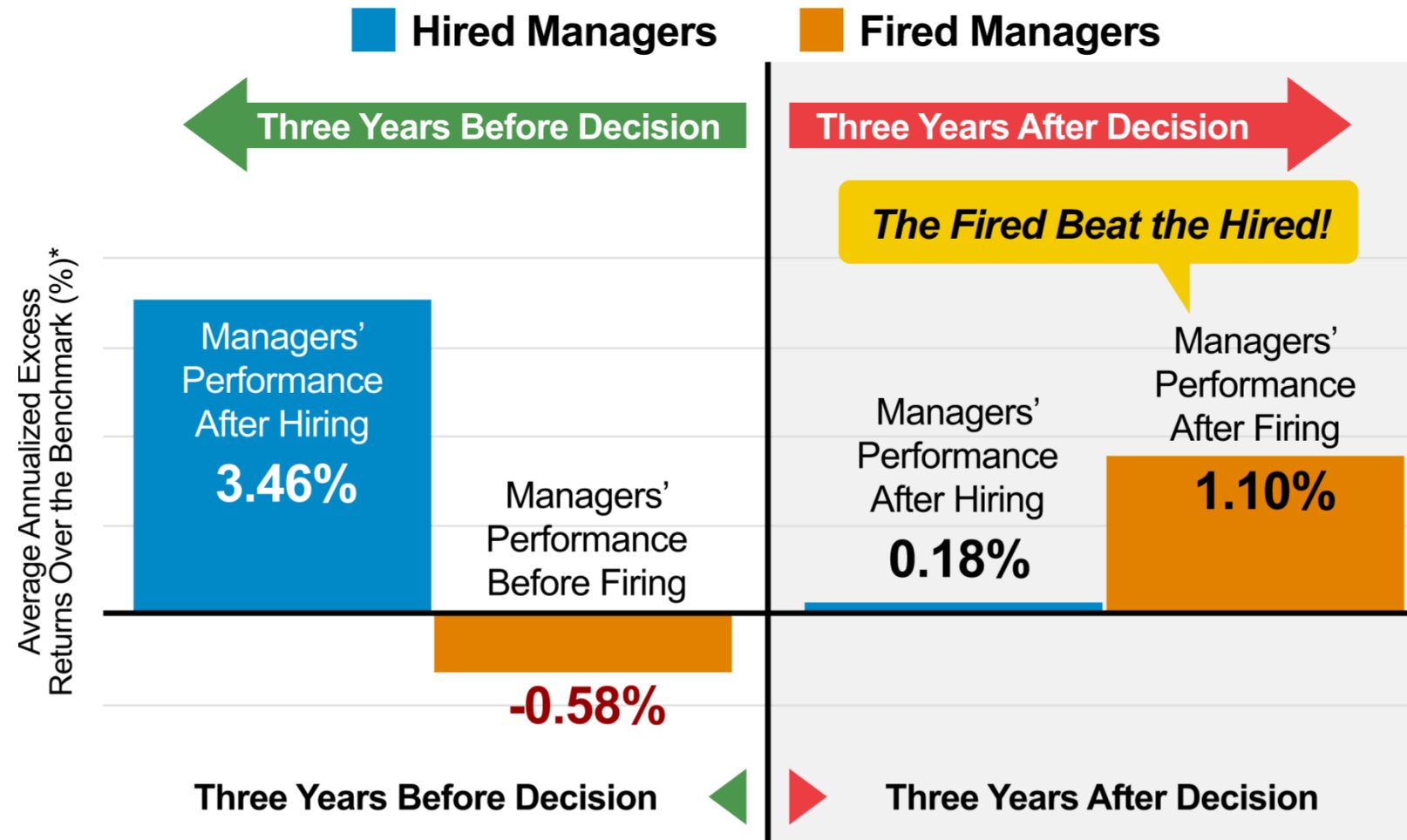
### 6 Years (1/1/2016 - 12/31/2021)



Data and Benchmark Source: S&P Dow Jones Indices LLC, eVestment Alliance. See <https://us.spindices.com/documents/research/research-fleeting-alpha-the-challenge-of-consistent-outperformance.pdf>. Fund category selected based off usage in IFA index portfolios, excluding categories with less than one hundred initial funds. Indexes are not available for direct investment and performance does not reflect expenses of an actual portfolio. Fund returns are net of mutual fund fees and include the reinvestment of dividends and other distributions. Past performance is no guarantee of future results. Chart is provided for illustrative purposes. This is not to be construed as an offer, solicitation, recommendation, or endorsement of any particular security, product, service, or considered to be tax advice. There are no guarantees investment strategies will be successful. Past performance is no guarantee of future results. Investing involves risks, including possible loss of principal. © 2024 Index Fund Advisors, Inc. (IFA.com)

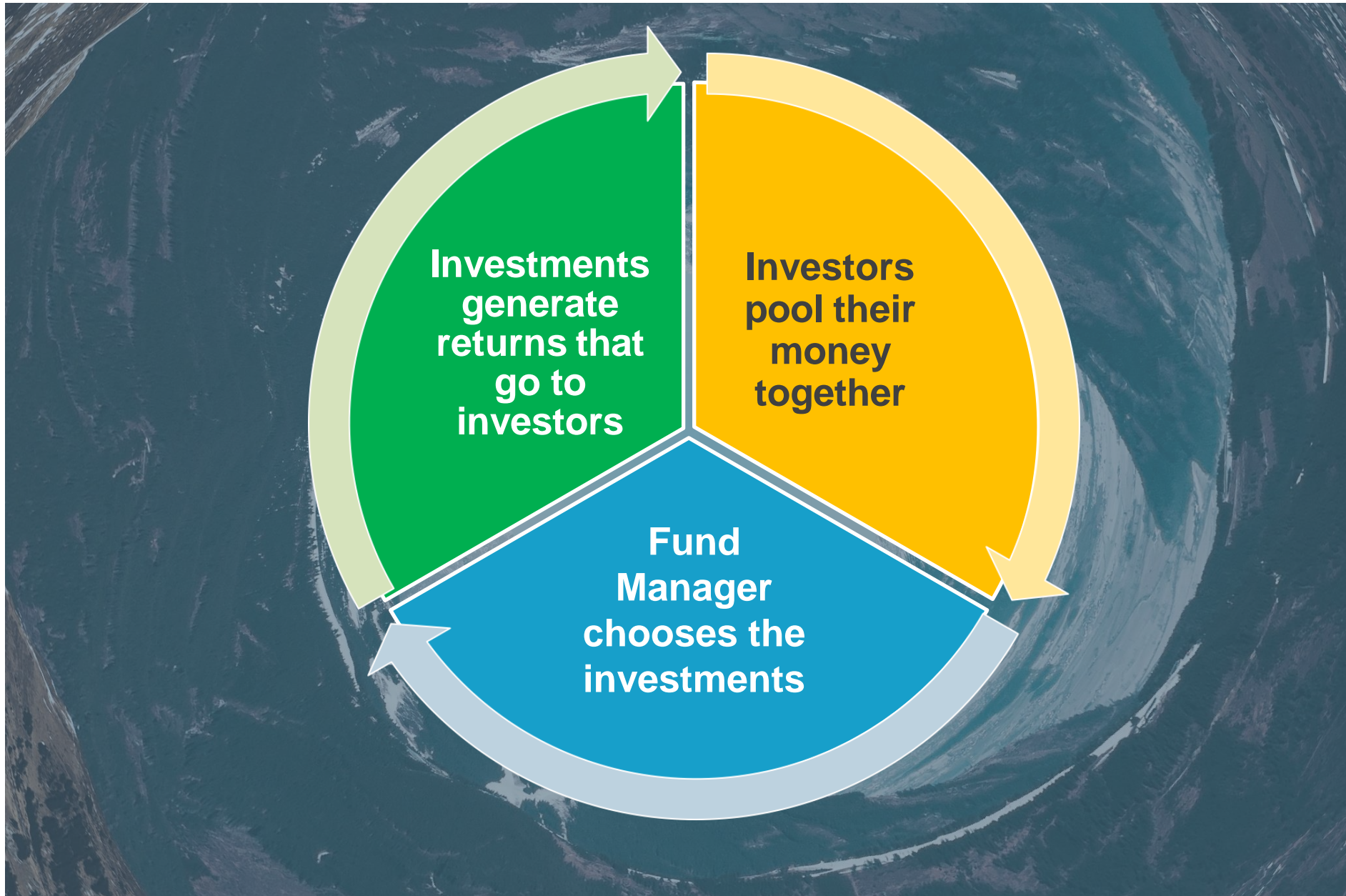
## Managers' Performance Before and After Hiring or Firing

8 Years (1/1/1996 - 12/31/2003) 412 Round-trip Decisions



Note: Investment managers' performances are measured by their average annualized excess returns over the benchmarks. The bar chart reflects the results of the study minus an estimated annual 0.5% management fee and an annual 0.5% cost of transition subtracted from the after hiring manager returns. Source: Amit Goyal and Sunil Wahal, The Journal of Finance, Volume LXIII, No. 4, published August 2008. The Selection and Termination of Investment Management Firms by Plan Sponsors. Past performance does not guarantee future results. All data, including performance data, is provided for illustrative purposes only, it does not represent actual performance of any client portfolio or account and it should not be interpreted as an indication of such performance.

# What are Mutual Funds?





# Mutual Fund Expenses



**Mutual Funds With Loads:** Sold by brokers or licensed insurance agents and carry a large commission

**Class A:** Front load of typically 5.75% and lower ongoing expenses

Example: Invest \$100,000 will have a commission of \$5,750 so you only invest \$94,250

**Class B:** Back Load and higher ongoing expenses

Tip: Possibly the worst share class with the highest fees

**Class C:** No initial fee but higher ongoing expenses typically around 2% per year

Example: Invest \$100,000 and then pay annual fee of \$2,000



**Mutual Funds With No Loads:** Sold directly from the mutual fund company and there is NO commission

# Exchange-traded fund (ETF)

- A type of pooled investment security that operates much like a mutual fund
- Unlike a mutual fund, trades like a stock with a per-share price vs investing every dollar, and prices fluctuate throughout the trading day
- Offer low expense ratios and fewer brokerage commissions than buying the stocks individually
- Can be more tax efficient than some mutual funds
  - Usually invest in a “passive index” of holdings, so not a lot of trading, very tax efficient
  - Uses a unique mechanism to buy and sell securities inside the ETF which makes them more tax efficient to own
- Brokerage firms often offer individual stocks and ETFs to buy and sell with no transaction fees

# The IFA Investment Principles

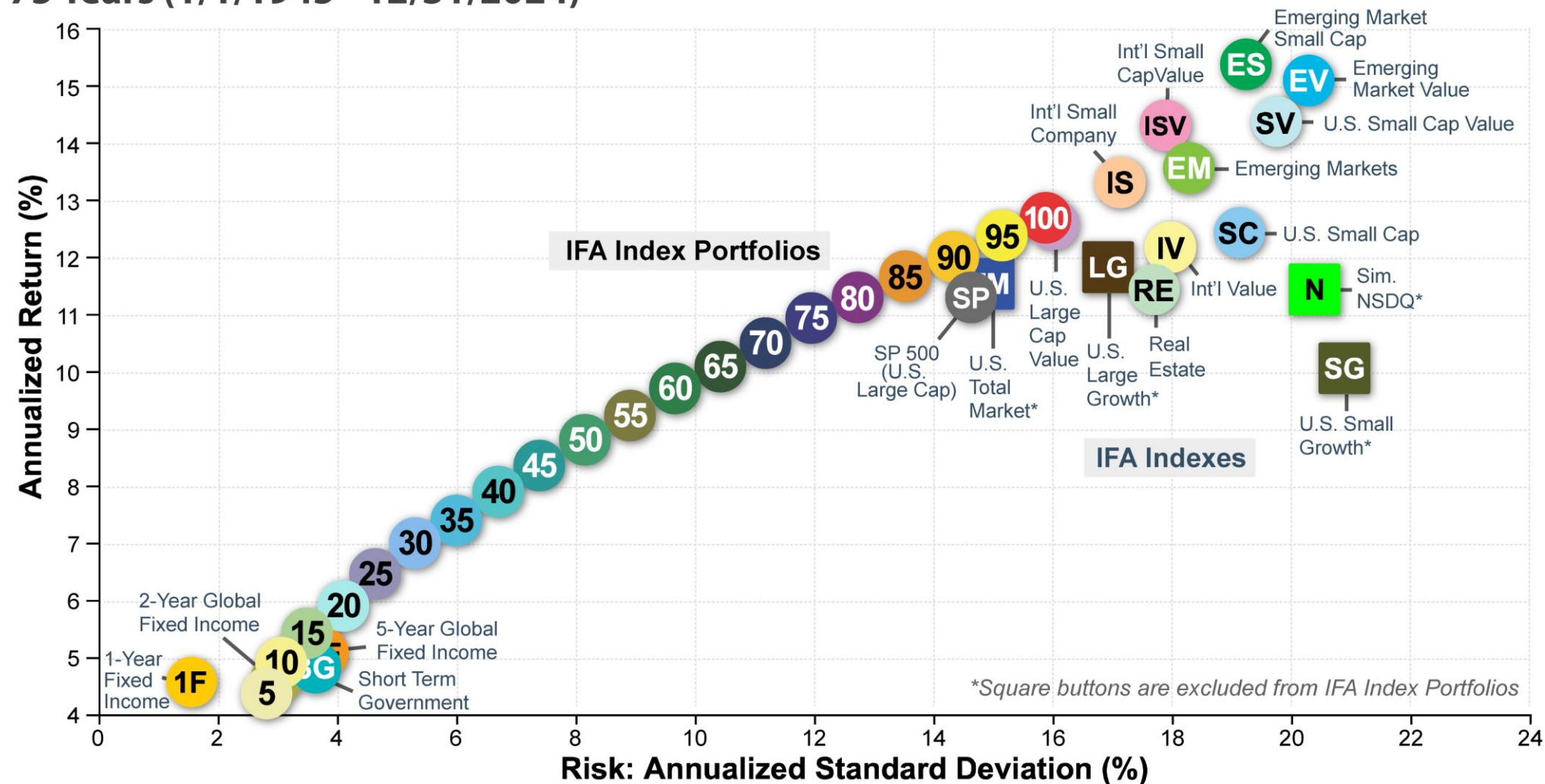
**Five chief principles that inform the IFA model are as follows:**

1. **Financial markets are efficient.** As free market prices fully incorporate available information, price change consequently reflects unexpected new information; therefore the current price is the best estimate of a fair price.
2. **Risk and return are inseparable.** Although there is no such thing as return without risk, not all risks are rewarded. Long-term historical risk and return data informs IFA's investment selection process, and IFA's Index Portfolios seek to capture the historical risk factors that have appropriately compensated investors for risks taken, including market, size, value, and profitability for equity and term and default for fixed income.
3. **Diversification is essential.** Diversification within and among asset classes lets investors effectively capture the returns offered by the financial markets, in accordance with their risk capacity.
4. **Structure explains performance.** The expected return of a diversified portfolio is determined by its exposure to the compensated risk factors, therefore the high costs and risks of active management are unnecessary and potentially harmful to an investor's long-term outlook.
5. **Advisor Advantage.** There are distinct measurable benefits to enlisting the services of a passively-oriented advisor, including disciplined rebalancing, tax loss harvesting, asset allocation, asset location, and glide path.



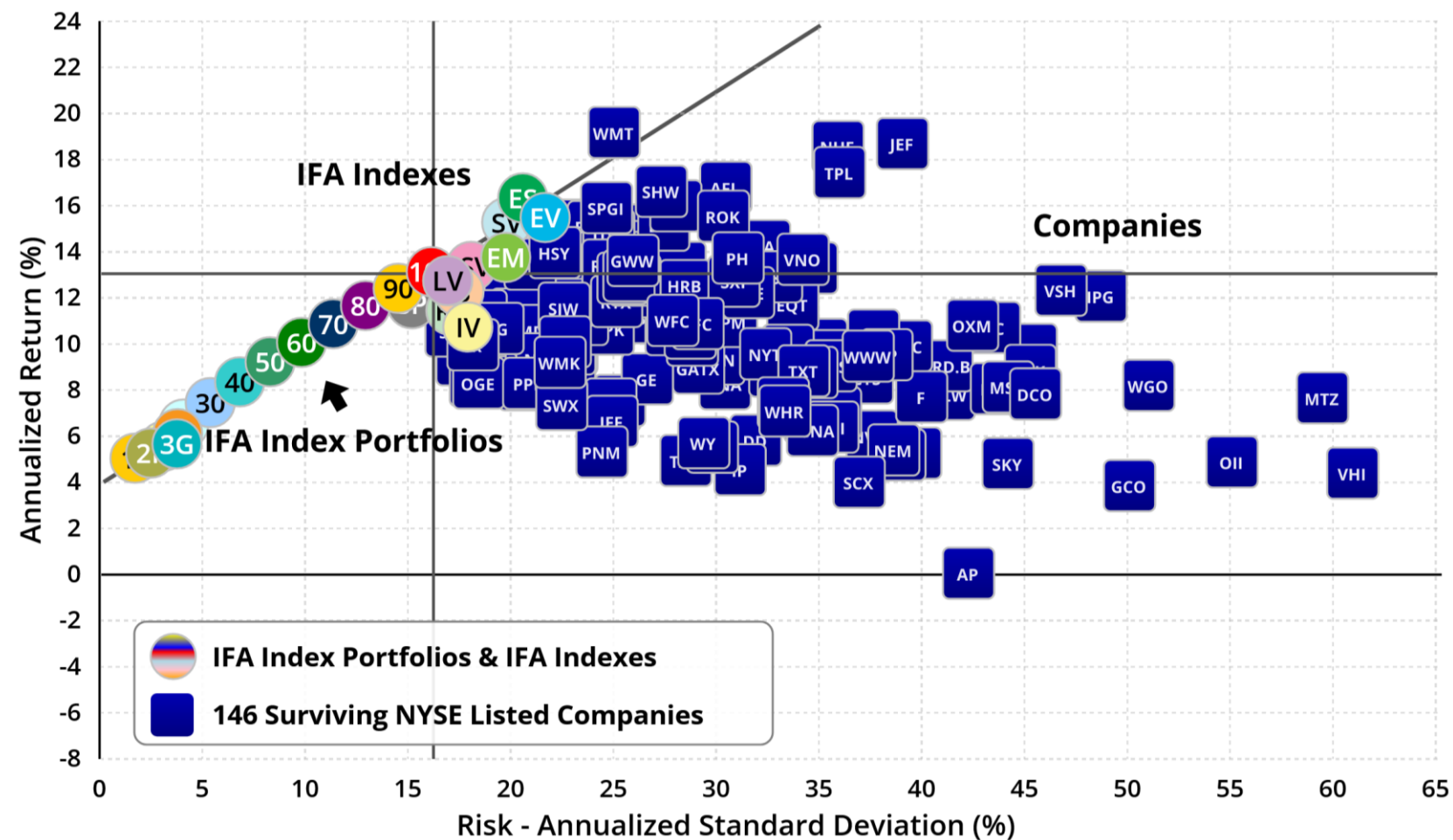


## Risk and Return Scatter Plot of IFA Index Portfolios and IFA Indexes 75 Years (1/1/1945 - 12/31/2024)



For detailed information on the **HYPOTHETICAL back-tested performance data** in this chart, including sources, updates and important disclosures, see [www.ifabt.com](http://www.ifabt.com). IFA Index Portfolios are labeled with numbers that refer to the percentage of stock indexes in the asset allocation, as opposed to the allocation of bond indexes. For example an IFA Index Portfolio 90 is 90% IFA stock indexes and 10% IFA bond indexes. IFA Indexes are labeled with letters to designate the index name and are defined at [indexdescriptions.com](http://indexdescriptions.com). Hypothetical backtested performance of IFA Index Portfolios assumes annual rebalancing of the asset allocation of the component indexes. The hypothetical backtested performance of the IFA Indexes and IFA Index Portfolios was achieved with the benefit of hindsight; it does not represent actual investment strategies for the entire period; and it does not reflect the impact that economic and market factors may have had on the advisor's decision making if the advisor were actually managing client money. The performance of index portfolios does reflect the deduction of 0.9% annual investment advisory fee, which is the maximum advisory fee charged by IFA, and mutual fund fees associated with the management of an actual portfolio over the entire period. Unless indicated otherwise, the performance of the IFA Indexes when shown individually, do reflect mutual fund fees, but not IFA advisory fees and include dividends. IFA Indexes and IFA Index Portfolios were created by IFA in 2000. Past performance does not guarantee future results. Performance may contain both live and back-tested data. Data is provided for illustrative purposes only, it does not represent actual performance of any client portfolio or account and it should not be interpreted as an indication of such performance. IFA utilizes standard deviation a quantification of risk, see an explanation in Disclosure section of this document <https://www.ifa.com/glossary/#standard-deviation>

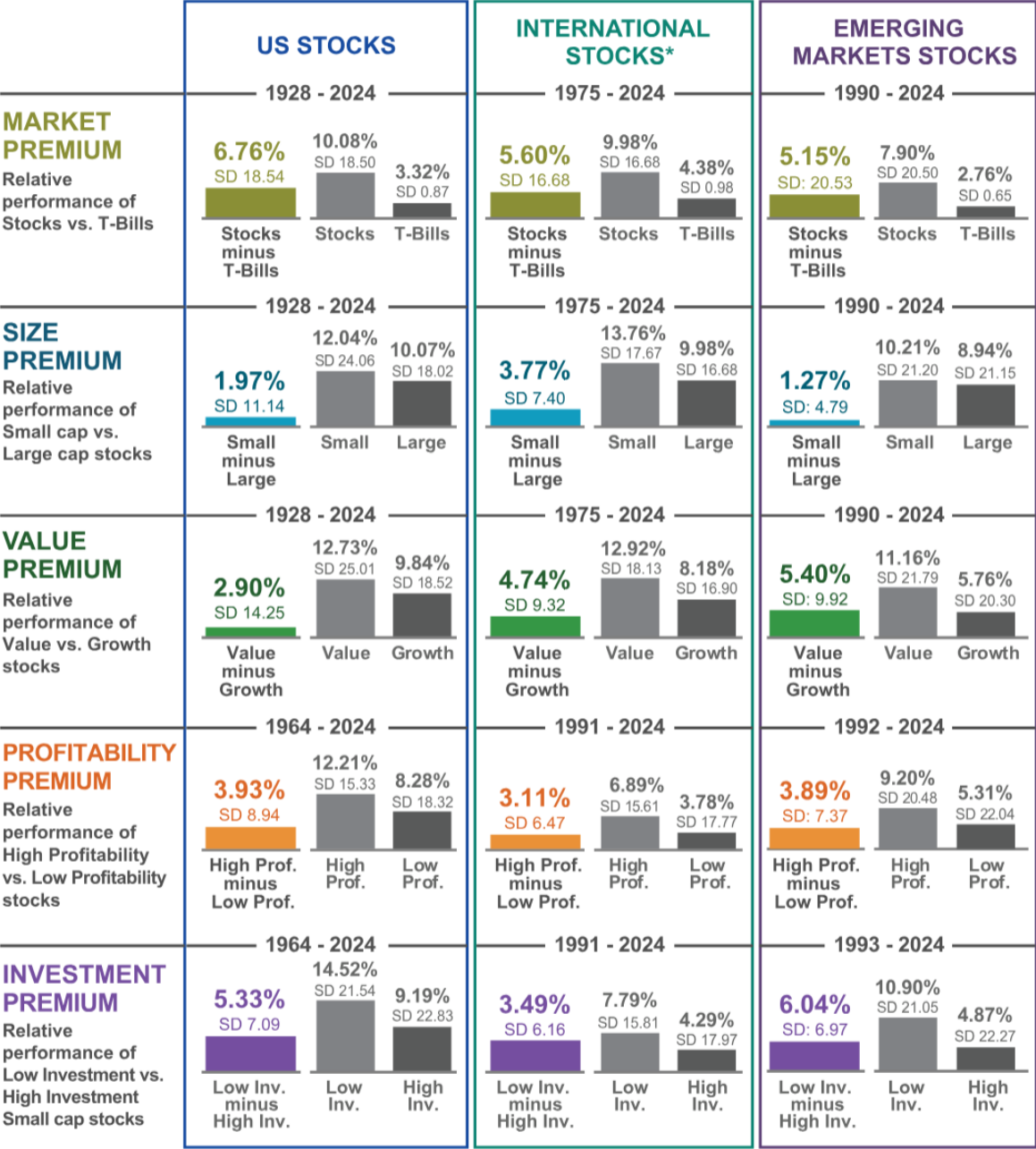
## Why Diversify? Stocks vs IFA Indexes and Index Portfolios 48 Years (1/1/1976 - 12/31/2023)



The stocks shown in this chart were the total of U.S. publicly listed stocks currently on the NYSE and NSDQ that had returns data for the period shown. You can toggle between the NYSE and NSDQ stocks on the bottom left corner. When you select AAPL in bottom right corner, stocks shown in this chart were all of the U.S. publicly listed stocks on the NYSE or NSDQ that had returns data since 1/1/1976, shown after the first full month Apple was public (1/1/1981). Rollover buttons for details and toggle visibility of indexes and stocks in the legend. For HYPOTHETICAL back-tested performance data shown in this chart, including sources, updates, and important disclosures, see [ifabt.com](http://ifabt.com). IFA Index Portfolios are labeled with numbers that refer to the percentage of stock indexes in the asset allocation, as opposed to the allocation of bond indexes. For example, IFA Index Portfolio 90 is 90% IFA stock indexes and 10% IFA bond indexes. IFA Indexes are labeled with letters to designate the index name and are defined at [indexdescriptions.com](http://indexdescriptions.com). HYPOTHETICAL back-tested performance of IFA Index Portfolios assumes annual rebalancing of the indexes to the original allocation. The HYPOTHETICAL back-tested performance of the IFA Indexes and IFA Index Portfolios was achieved with the benefit of hindsight; it does not represent actual investment strategies for the entire period; and it does not reflect the impact that economic and market factors may have had on the advisor's decision-making if the advisor were actually managing client money during the period shown. The performance of index portfolios does reflect the deduction of a 0.9% annual investment advisory fee, which is the maximum advisory fee charged by IFA, and the deduction of mutual fund fees associated with the management of an actual portfolio over the entire period. Unless indicated otherwise, the performance of the IFA Indexes when shown individually, does reflect the deduction of mutual fund fees, includes reinvestment of dividends and capital gains but does not include the deduction of IFA advisory fees, transaction costs or taxes, which if included, would lower performance. The IFA Indexes and IFA Index Portfolios were created by IFA in 2000. Past performance does not guarantee future results. Performance figures may contain both live and HYPOTHETICAL back-tested data. All data, including performance data, is provided for illustrative purposes only, it does not represent actual performance of any client portfolio or account and it should not be interpreted as an indication of such performance. IFA utilizes "standard deviation" as a quantification of risk, see the definition in the [IFA glossary](#).



Fama French Five-Factor Model  
97 Years (1/1/1928 - 12/31/2024)

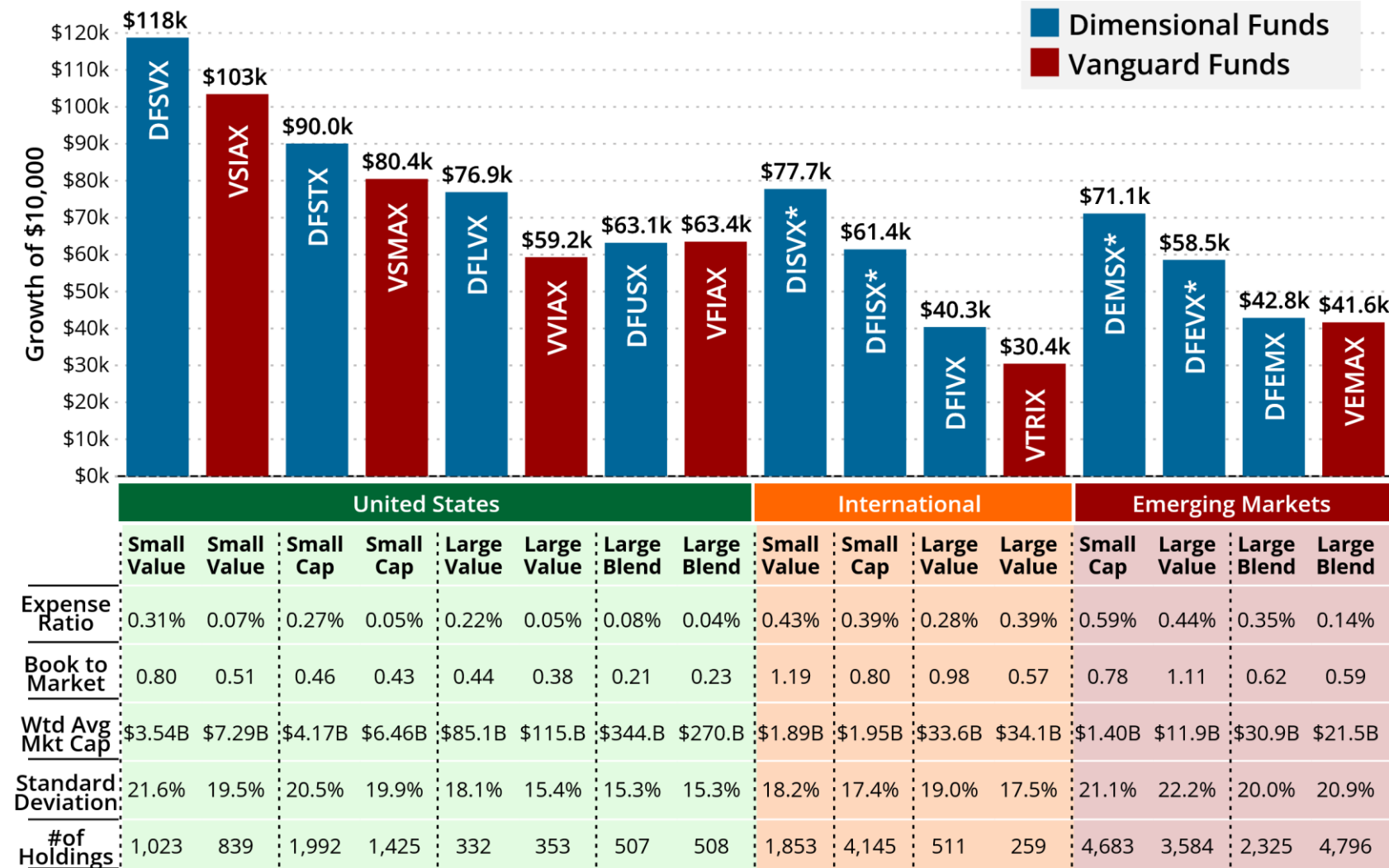


Information provided by Dimensional Fund Advisors LP. Indexes are shown as total return data and are in USD. Annualized or monthly returns can be selected with the buttons in top right corner. The paper that identified these factors can be read at this link: A Five-Factor Asset Pricing Model by Fama and French. SD = Standard Deviation (%). SDs are calculated using either monthly premium data or for annualized from that monthly data. \*Profitability is measured as operating income before depreciation and amortization minus interest expense, scaled by book. International Stocks: Developed Countries, minus the United States. Premiums are calculated as the difference in annualized or monthly returns between the two indexes described over the period shown. The Dimensional and Fama /French Indices represent academic concepts that may be used in portfolio construction and are not available for direct investment or for use as a benchmark. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Market Premium: F/F Total US Market Research Index vs. One-Month US Treasury Bills (T-Bills), F/F International Market Index vs. T-Bills, F/F Emerging Markets Index vs. T-Bills. Size Premium: Dimensional US Small Cap Index minus Dimensional US Large Cap Index. Value Premium: (F/F) US Value Research Index minus the F/F US Growth Research Index. Profitability Premium: F/F US High Profitability Index minus the F/F US Low Profitability Index. For developed ex US stocks, indices are used as follows. Small Cap minus Large Cap: Dimensional International Small Cap Index minus the F/F International Market Index. Value minus Growth: F/F International Value Index minus the F/F International Growth Index. High Prof minus Low Prof: F/F International High Profitability Index minus the F/F International Low Profitability Index. For Emerging Markets stocks, indices are used as follows. Small Cap minus Large Cap: Dimensional Emerging Markets Small Cap Index minus F/F Emerging Markets Index. Value minus Growth: F/F Emerging Markets Value Index minus F/F Emerging Markets Growth Index. High Prof minus Low Prof: F/F Emerging Markets High Profitability Index minus the F/F Emerging Markets Low Profitability Index. Investment Factor: F/F US Small Cap Low Investment Index vs. F/F US Small Cap High Investment Index F/F International Small Cap Low Investment Index vs. F/F International Small Cap High Investment Index F/F Emerging Markets Small Cap Low Investment Index vs. F/F Emerging Markets Small Cap High Investment Index. The investment factor is included in any equity Dimensional strategy with exposure to small caps, such as core equity strategies (including Sustainability and Social Core) and component funds like small cap, small value and small growth. All rights reserved. See "Index Descriptions" in the appendix for descriptions of Dimensional and Fama /French index data. | Indexes are not available for direct investment and performance does not reflect the expenses of an actual portfolio. Unless indicated otherwise, the performance includes reinvestment of dividends and capital gains but does not include the deduction of IFA's advisory fees, transaction costs or taxes. Past performance is no guarantee of future results. Actual returns may be lower. For detailed information on the hypothetical backtested performance data in this chart, including sources, updates and important disclosures, see ifabt.com. See "Index Descriptions" at ifaindexes.com fordetailed descriptions of Dimensional and Fama/French index data.



## Vanguard vs Dimensional Fund Advisors - Select Mutual Fund Comparisons

25 Years (1/1/2000 - 12/31/2024)



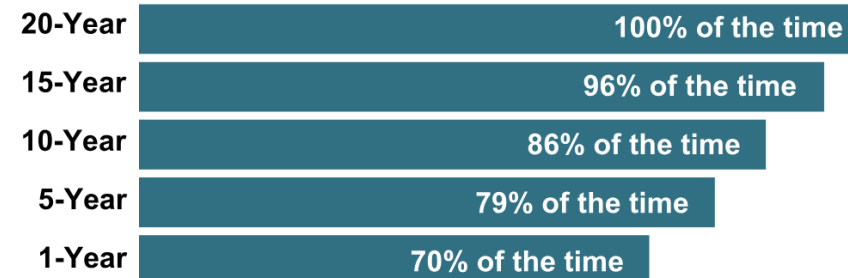
Wtd Avg Mkt Cap = Weighted Average Market Capitalization (\$ Billion).  
 \*DISVX, DFISX, DEMSX and DFEVX are in this comparison to show the diversification available from DFA into small and value in International and Emerging Markets. There are no comparable passively managed Vanguard mutual funds for these asset classes. All Vanguard funds are Admiral Share Class (lowest fee share class), except the International Value Fund (VTRIX), which is an Investor Share Class (higher fee) and is actively managed by 3 firms. This chart starts in 2000 because it is the first full year of data for DFUSX which has an inception date of 9/23/1999. VFIAX inception on 11/13/2000, alternative share class used for prior period. VSMAX inception on 11/13/2000, alternative share class used for prior period. VSIAX inception 09/27/2011, alternative share class used for prior period. VEMAX inception 06/23/2006, alternative share class used for prior period. For this and other information about the Dimensional and Vanguard funds, please read the prospectus carefully before investing. Prospectuses are available at [us.dimensional.com](http://us.dimensional.com) and at [vanguard.com](http://vanguard.com). Past performance does not guarantee future results. Performance figures may contain both live and HYPOTHETICAL back-tested data. All data, including performance data, is provided for illustrative purposes only, it does not represent actual performance of any client portfolio or account and it should not be interpreted as an indication of such performance. IFA utilizes "standard deviation" as a quantification of risk, see the definition in the IFA glossary. Fund returns are shown net of mutual fund fees and include the reinvestment of dividends and capital gains. However, the performance data does not include the deduction of IFA's advisory fees, transaction costs, taxes or any other expenses, which would reduce returns by those amounts. Dimensional Fund Advisors' (DFA) funds generally have had greater exposure to small cap stocks and value stocks (higher book to market ratios) than similar mutual funds. Over long periods, small cap and value indexes have had higher returns than large and growth companies and that may be an explanation for the higher risks and returns of the DFA funds.

## Historical Performance of Premiums over Rolling Periods

### US Markets

#### MARKET beat T-BILLS

Overlapping Periods: July 1927 - Dec 2023



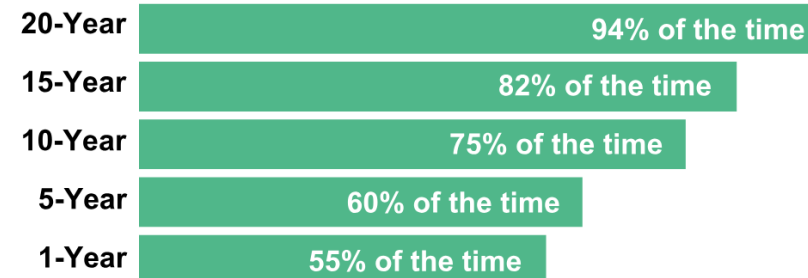
**Market** is Fama/French Total US Market Research Index.

**T-Bills** is One-Month US Treasury Bills.

There are 931 overlapping 20-year periods, 991 overlapping 15-year periods, 1,051 overlapping 10-year periods, 1,111 overlapping 5-year periods, and 1,159 overlapping 1-year periods.

#### SMALL beat LARGE

Overlapping Periods: June 1928- Dec 2023



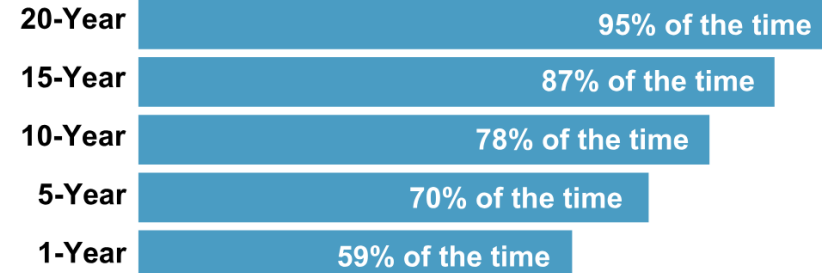
**Small** is Dimensional US Small Cap Index.

**Large** is Dimensional US Large Cap Index.

There are 920 overlapping 20-year periods, 980 overlapping 15-year periods, 1,040 overlapping 10-year periods, 1,100 overlapping 5-year periods, and 1,148 overlapping 1-year periods.

#### VALUE beat GROWTH

Overlapping Periods: July 1927 - Dec 2023



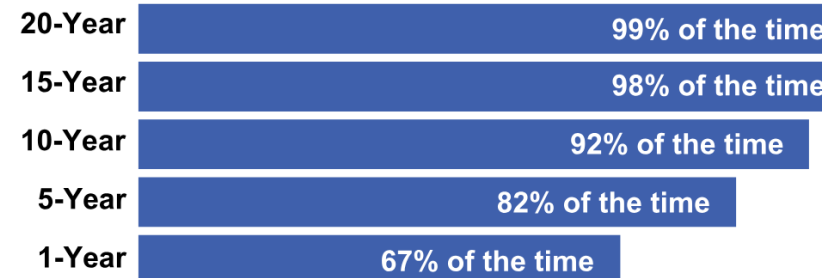
**Value** is Fama/French US Value Research Index.

**Growth** is Fama/French US Growth Research Index.

There are 931 overlapping 20-year periods, 991 overlapping 15-year periods, 1,051 overlapping 10-year periods, 1,111 overlapping 5-year periods, and 1,159 overlapping 1-year periods.

#### HIGH PROFITABILITY beat LOW PROFITABILITY

Overlapping Periods: July 1964 - Dec 2023



**High** is Fama/French US High Profitability Index.

**Low** is Fama/French US Low Profitability Index.

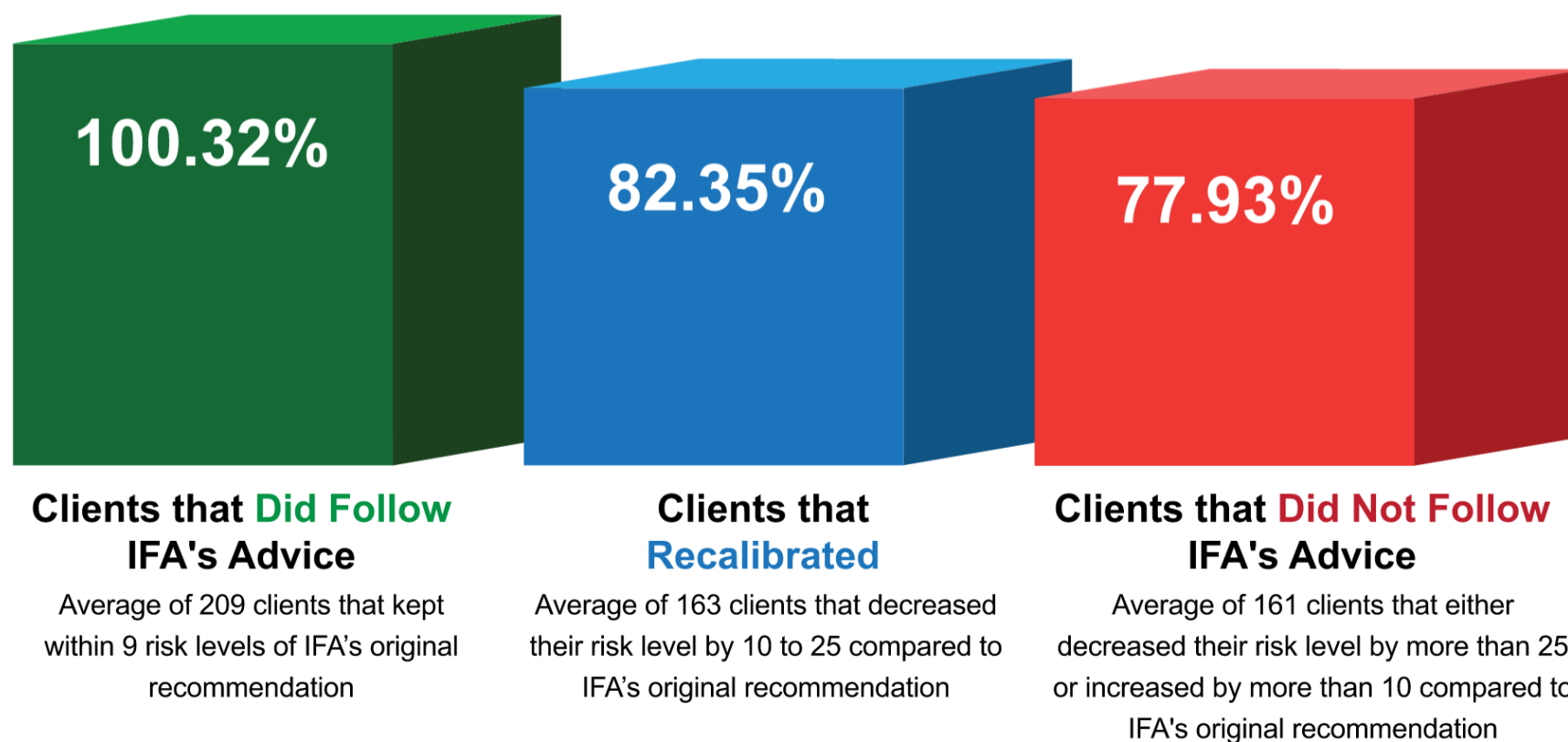
There are 487 overlapping 20-year periods, 547 overlapping 15-year periods, 607 overlapping 10-year periods, 667 overlapping 5-year periods, and 715 overlapping 1-year periods.

Information provided by Dimensional Fund Advisors LP. In USD. Based on monthly rolling differences in annualized returns over the periods listed. Rolling multiyear periods overlap and are not independent. Profitability is measured as operating income before depreciation and amortization minus interest expense, scaled by book. Indexes are not available for direct investment. Index returns are not representative of actual portfolios and do not reflect costs and fees associated with an actual investment. Past performance is no guarantee of future results. Actual returns may be lower. See [indexdescriptions.com](http://indexdescriptions.com) for descriptions of Dimensional and Fama/French index data. Eugene Fama and Ken French are members of the Board of Directors of the general partner of, and provide consulting services to, Dimensional Fund Advisors LP. "One-Month Treasury Bills" is the IA SBBI US 30 Day TBILL TR USD, provided by Morningstar. All rights reserved. MSCI data © MSCI 2022, all rights reserved. S&P data © 2022 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. © 2024 Index Fund Advisors, Inc. (IFA.com)

# CLIENT RESEARCH

## IFA Client Success at Capturing Benchmark Index Returns 11 Years (1/1/2008 to 12/31/2018)

### Client's Average Percentage of Benchmark Annualized Returns



Source: Internal analysis of 533 portfolios of IFA clients that were clients as of 1/1/2008 and stayed through 12/31/2018. Returns calculated as annualized returns. The benchmark is IFA's recommended IFA Index Portfolio at the beginning of the client relationship. All client index portfolios were evaluated for that 11-year period, which we consider to be a difficult period because it includes a steep drop followed by a full recovery. This is not to be construed as an offer, solicitation, recommendation, or endorsement of any particular security, product, service, or considered to be tax advice. There are no guarantees investment strategies will be successful. Past performance is no guarantee of future results. Investing involves risks, including possible loss of principal. IFA Index Portfolios are recommended based on an investor's risk capacity, which considers their time horizon, attitude towards risk, net worth, income, and investment knowledge. Take the IFA Risk Capacity Survey to determine which index portfolio matches your risk capacity.



QUESTIONS?





A serene landscape at sunset. In the foreground, a yellow tent is partially visible on the left, and a white SUV is parked on the right. Between them, two black folding chairs and a small table with a water bottle and cups are set up on a grassy bank. A calm lake reflects the golden light of the setting sun, which is positioned behind a forested hill in the background. The overall atmosphere is peaceful and warm.

# THANK YOU



A close-up photograph of a person's hands writing in a small, spiral-bound notebook. The person is holding a silver and black pen. The background is blurred, showing a patterned shirt. A semi-transparent dark horizontal band is overlaid across the middle of the image, containing the word "DISCLOSURES" in white capital letters.

# DISCLOSURES



# Disclosures for the Hypothetical Backtested Performance of Model IFA Index Portfolios and Indexes

This material is prepared by Index Fund Advisors, Inc. (IFA) for informational purposes only. The performance results provided herein represent the **hypothetical back-test** of the criteria selected, do not reflect actual trading by IFA and do not represent the actual performance achieved by any IFA client, client account, or mutual fund investment. Data is obtained from sources that are believed to be reliable.

IFA does not guarantee any minimum level of investment performance or the success of any index portfolio, index, mutual fund or investment strategy. **Past performance does not guarantee future results.** There is a potential for loss in any investment, including loss of principal invested. All investments involve risk, and different types of investments involve varying degrees of risk. Investment recommendations will not always be profitable. No representation is being made that any IFA client account will or is likely to achieve profit or losses similar to those shown in hypothetical back-tested performance. Impacts of federal and state taxes and trading costs are not included in the results of index portfolio or index returns. Hypothetical back-tested performance information shown in text, charts, tables, and graphs is provided for informational purposes only and should not be considered investment advice or a recommendation to buy or sell any types of securities.

## Overview, Index Funds, IFA Indexes

The IFA investment strategy is based on principles generally known as Modern Portfolio Theory and the Fama and French Four Factor Model for Equities and Two Factor Model for Fixed Income. IFA Index portfolios are designed to provide substantial global diversification in order to reduce investment concentration and the resulting potential increased risk caused by the volatility of individual companies, indexes, or asset classes.

IFA defines an “index fund” as a mutual fund or exchange traded fund (ETF) that follows a set of rules of ownership which, under normal circumstances, are held constant regardless of market conditions. An important characteristic of an index fund is that its rules of ownership are not based on a forecast of short-term events or the mispricing of securities. Therefore, an investment strategy that buys and rebalances a portfolio of index funds is often referred to as passive investing, as opposed to active investing.

The indexes constructed by IFA (the “IFA Indexes”) include several stock and bond indexes that represent a monthly data series that begins with index data from various sources on January 1, 1928. The construction of IFA Indexes data introduces live mutual fund data of funds that are similar to the preceding index upon the inception date of the funds and uses that monthly mutual fund data up to the current month.

Index portfolios created by IFA (the “IFA Index Portfolios”) are allocations of a globally diversified selection of between 11 and 15 IFA Indexes. Each IFA Index Portfolio is assigned a designation number based on the allocation of stock indexes compared to bond indexes within a particular IFA Index Portfolio. For example, the IFA Index Portfolio 90 is 90% IFA stock indexes and 10% IFA bond indexes.

The data for both the IFA Indexes and the model data for IFA Index Portfolios is hypothetical back-tested performance data that represents a combination of index data and mutual fund data. Please refer to the IFA Indexes Data Sources page at [www.ifaindexes.com](http://www.ifaindexes.com) for additional important information, including a description and the time series construction of the underlying indexes and mutual funds relating to each IFA Index. The IFA Index Data Sources, IFA Indexes Time Series Construction (see: <https://www.ifa.com/disclosures/charts/#timeseries>) and several of the Dimensional Indexes (see: <https://www.ifa.com/disclosures/charts/#dfafunds>) are an integral part of this disclosure and should be read in conjunction with this explanation of the hypothetical back-tested performance of the IFA Indexes and the model IFA Index Portfolios, which are allocations of the IFA Indexes. In addition, an extensive glossary of terms used throughout IFA's content, which includes these disclosures, can be found at <https://www.ifa.com/glossary/>.

## Hypothetical Back-tested Performance

1. Hypothetical back-tested performance results have many inherent limitations, some of which are described herein.

2. “Backtesting” is a process of objectively simulating historical investment returns by applying a set of rules for buying and selling securities, and other assets, backward in time, testing those rules, and hypothetically investing in the securities and other assets that are chosen. Backtesting is used to assess the viability of an investment strategy by building a simulation with historical data to analyze risk and profitability before risking any actual capital and is intended to allow investors to understand and evaluate certain strategies by seeing how they would have performed hypothetically during specific time periods.

3. The hypothetical back-tested performance data comprising the IFA Index data represents a combination of index data and actual mutual fund data. The monthly data series begins with index data on January 1, 1928 and introduces live mutual fund data upon the inception date of each of the mutual funds.

4. The investment strategy of the IFA index portfolios is a buy and hold strategy with annual rebalancing of the index allocation on the first of each year during the relevant time period. The data shown is hypothetical and is provided to illustrate historical risk and return performance had the IFA Indexes and IFA Index Portfolios been available over the relevant time period shown.

5. IFA did not offer the IFA Index Portfolios until November 1999. Prior to November 1999, IFA did not manage client assets.

6. All performance results of the IFA Indexes and IFA Index Portfolios are based on performance of indexes in the IFA Index Portfolios. The hypothetical back-tested performance was achieved with the benefit of hindsight; it does not represent actual investments in any investment strategies.

## 7. Limitations of Hypothetical Performance Data

**Hypothetical performance is significantly different from actual investment performance. There are certain limitations inherent in hypothetical model results like those portrayed, which include, among others, that such hypothetical model returns: (a) do not reflect trading in actual client accounts, (b) are dependent on the market and economic conditions that existed during the relevant period and do not reflect the impact that material economic and market factors may have had on the adviser's decision-making had the adviser actually been managing client funds, (c) reflect simulated trading programs which, in general, benefit compared to actual performance results because such simulated programs are designed with the benefit of hindsight, (d) assume that the securities used in the hypothetical back-tested results were available for purchase or sale during the time period presented and the markets were sufficiently liquid to permit the types of trading used, and (e) do not involve or take into account financial risk and do not take into account that material and market factors may have impacted IFA's decision making, all of which can adversely affect actual trading results and performance. For example, the ability to withstand losses or adhere to a particular trading program in spite of trading losses are material points which can also adversely affect markets in general or the implementation of any specific trading program. Hypothetical back-tested performance does not represent actual performance, actual trading costs or the actual impact of taxes and should not be interpreted as an indication of such performance.**

8. Hypothetical back-tested performance also differs from actual performance because it is achieved through the retroactive application of model index portfolios designed with the benefit of hindsight. As a result, the IFA Index Portfolios may be changed from time to time and the effect on hypothetical performance results could be either favorable or unfavorable.

9. Hypothetical back-tested performance is calculated by using a software program that starts with the first day of a selected month and ends with the last day of a selected month. Whenever the term IFA Index Portfolio value data is used, it is based on a starting value of one at the beginning of stated time period.

**10.** Hypothetical back-tested performance results for IFA Index Portfolios are based on a buy and hold strategy, with annual rebalancing on the first of each year. It is important to understand that the assumption of first of the year annual rebalancing has an impact on the monthly returns reported for IFA Index Portfolios throughout the year. If there were monthly rebalancing instead, the monthly return would be calculated with the assumption that the portfolio is in balance at the beginning of each month. For annual rebalancing, the year-to-date and monthly return is calculated with the assumption that the portfolio is in balance only at the beginning of each year. In actual client portfolios, however, accounts are reviewed quarterly, and rebalancing occurs as needed. Generally, rebalancing events are recommended by IFA when a client portfolio exceeds the applicable variance threshold assigned by IFA to each IFA Index Portfolio, and rebalancing is implemented with client approval. Rebalancing actions are dependent on both market conditions and individual client cash inflows and outflows, along with the cost impact of such transactions on the overall client portfolio. Trades for the hypothetical returns were not actually executed.

**11.** Hypothetical back-tested performance results for IFA Index Portfolios does include the reinvestment of dividends and capital gains and is shown net of IFA's highest advisory fee of 0.90%, and net of mutual fund fees (actual mutual fund fee amounts are deducted when available, otherwise, otherwise, mutual fund fees are estimated). Simulated index data, retroactively calculated by the applicable mutual fund company (e.g., Dimensional Fund Advisors (DFA)) or research data source (Fama/ French, is used for the period prior to the inception of the relevant live mutual fund data and a mutual fund expense ratio is deducted from such simulated index data. The impacts of trading costs are not included in the performance results and will reduce client performance. In the hypothetical performance figures shown, a monthly advisory fee of 0.075% (which amounts to 0.90% annually) is deducted from month end returns, unless stated otherwise. However, actual client advisory fees are deducted quarterly, in advance by IFA. Depending on the amount of assets under management and other factors, investment management fees paid by a client may be less (please see IFA's Form ADV Part 2 Brochure for additional information). Note that a client's return will be reduced by the amount of advisory fees charged by IFA and any other expenses, and the inclusion of IFA's advisory fees will have a negative impact on client account performance. IFA accepts no fees from investment product firms.

**12.** There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of hypothetical back-tested performance results and all of which can adversely affect actual trading results.

**Performance Results and Composition of IFA Indexes and IFA Index Portfolios**

**IFA Index Portfolios**

**13.** Investments cannot be made directly in an index. Past performance is no guarantee of future results.

**14.** Performance results for actual clients that invest in accordance with the IFA Index Portfolio models will vary from the back-tested performance due to the use of mutual funds for implementation that differ from those mutual funds underlying the IFA Index data, current market conditions, investments cash flows, mutual fund allocations, changing index allocations over time, frequency and precision of rebalancing, not following IFA's advice, retention of previously held securities, tax loss harvesting and glide path strategies, actual cash balances, lower advisory fees, varying custodian fees, and/or the timing of fee deductions. Tax liabilities will vary for each client and can result from various activities in taxable and tax-deferred accounts. These activities include, but are not limited to rebalancing of portfolios, any sale of securities, tax loss harvesting, interest, dividends and capital gains distributions from equity funds and individual securities in taxable accounts. There are also tax liabilities associated with distributions from tax-deferred accounts. Not all IFA clients follow IFA's recommendations and depending on unique and changing client and market situations, IFA may customize the construction and implementation of the IFA Index Portfolios for particular clients so that actual client accounts differ materially from those shown. IFA provides many index portfolio implementation strategies, which include, among others, the use of exchange-traded funds (ETFs), global extended maturity bond funds, municipal bond funds, social or sustainable screens added to funds, diversified portfolios of various index fund providers, and use of core funds or global asset allocation funds. These many implementation options for IFA Index Portfolios are expected to have risks and potential returns that vary from the IFA Index Portfolio models. As a result of these and other variances, actual performance for client accounts has been and are likely to be materially different and may be lower than the results shown in the IFA Index Portfolio models. Clients should consult their account statements for information about how their actual performance compares to that of the IFA Index Portfolios and ask your IFA Wealth Advisor to explain any differences.

**IFA Indexes**

**15.** The underlying indexes and mutual funds used in constructing the IFA Indexes are IFA's best estimate of an underlying index or mutual fund that comes closest to the corresponding IFA Index objectives. Simulated index data, retroactively calculated by the applicable mutual fund company (e.g., Dimensional Fund Advisors (DFA)) or research data source (Fama/ French, is used for the period prior to the inception of the relevant live mutual fund data and a mutual fund expense ratio is deducted from such simulated index data. For example, where a DFA or Fama/ French index serves as the underlying index, DFA or Fama/ French, respectively, calculate the simulated index data used by IFA for the corresponding IFA Index. Such simulated index data does not reflect actual mutual fund data prior to the inception date of the mutual fund comprising the IFA Index. Accordingly, the results shown during the periods prior to the inception date of a mutual fund do not represent actual returns of the IFA Index. Periods selected other than those shown may have different results, including losses.

The launch date for each mutual fund used in creating the IFA Indexes may be found in the description of each IFA Index here: <https://www.ifa.com/disclosures/index-data/>.

Live (or actual) mutual fund performance data is used after the date each mutual fund was added to the IFA Indexes. The IFA Indexes Times Series Construction goes back to January 1928, with an increasing diversification to international markets, emerging markets and real estate investment trusts as data became available over time. As of January 1928, there are four equity IFA Indexes and two bond IFA Indexes used to construct the IFA Index Portfolios; in January 1970 there are a total of 8 IFA Indexes, and there are 15 IFA Indexes in March 1998 to present used to construct the IFA Index Portfolios. For additional details and to see the analysis of the evolution of these IFA Index Portfolios, see: [https://www.ifa.com/disclosures/charts/#IFA\\_evolution](https://www.ifa.com/disclosures/charts/#IFA_evolution).

IFA Indexes are unmanaged however a mutual fund expense ratio has been deducted from each of the IFA Index returns.

**16.** The following summarizes the history of changes made to the IFA Indexes and IFA Index Portfolios: 1992-2000: IFA's original Index Portfolios 20, 40, 60, and 80 (the number refers to the percentage of equity (stock) indexes versus bond indexes in the allocation) were suggested by DFA in 1992 ([ifa.com/pdfs/1992.pdf](http://ifa.com/pdfs/1992.pdf)), as an example of globally diversified asset classes, with moderate modifications in 1995 ([ifa.com/pdfs/1995.pdf](http://ifa.com/pdfs/1995.pdf)). Twenty IFA Index Portfolios 5 to 100 were created by IFA in 2000, as a lower and higher extension of the DFA 1992 risk and return options. There are numerous other changes that occurred relating to the IFA Index Portfolios from 2002 to present, which include, among other things, changes to performance calculations and associated returns (which resulted in returns of the IFA Index Portfolios being both higher and lower, depending on the particular IFA Index Portfolio), and they are described on [www.ifa.com/disclosures/history/](http://www.ifa.com/disclosures/history/).

**Public Market Index Disclosures:**

**Investments cannot be made directly in an index. Past performance is no guarantee of future results.**

**17.** Performance of the IFA Index Portfolios should not be compared directly to any public market indexes. Correlation of a portfolio with an index will vary upon different factors including fixed income portion, market sector and international exposure. IFA will provide additional disclosure where direct comparisons to public market indexes are made. Reference to any public market indexes is not intended to and does not imply or suggest that any of the IFA Index Portfolios will achieve returns, experience volatility or have other results similar to such indexes.

**Information About Index Fund Advisors, Inc.**

**18.** IFA is an SEC registered Investment Adviser. Information pertaining to IFA's advisory operations, services, and fees is set forth in IFA's current Form ADV Part 2 (Brochure) which is available upon request and at <https://adviserinfo.sec.gov/firm/summary/109143> IFA is not paid any brokerage commissions, sales loads, 12b-1 fees, or any form of compensation from any mutual fund company, exchange-traded fund company or broker dealer. The only source of compensation relating to IFA client investments is obtained from asset-based advisory fees paid by clients (note that, unrelated to IFA's investment management services, IFA also receives tax or accounting related fees paid to IFA's division providing such tax or accounting services. Tax and accounting services are provided under a separate written agreement). More information about advisory fees, expenses, mutual fund fees, and prospectuses for mutual funds can be found at <https://www.ifa.com/fees/>.



**Certain Associated Risks**

**19.** IFA Index Portfolios will be implemented for clients by investing in an allocation of mutual funds and/or exchange-traded funds (ETFs) that match the asset classes, mainly (but not exclusively) funds from DFA. All mutual funds and ETFs carry risks, and those risks can vary depending on the underlying investments and the fund’s investment strategy. IFA Index Portfolios are numbered from 1 to 100 based on the percentage allocation to equity indexes. IFA Index Portfolios with lower equity allocations and higher bond allocations generally have less risk, as measured by standard deviation, than those with higher equity allocations and lower bond allocations. There is risk of loss in any securities investment, including the risk of loss of principal that the client should be prepared to bear. Clients are provided with a copy of each mutual fund and ETF prospectus, which outlines the risks associated with the fund and should be read carefully. There is no guarantee that any IFA Index Portfolio will meet its investment objectives.

**Standard Deviation Information**

**20.** IFA utilizes standard deviation as a quantification of risk. Standard deviation is a statistic that measures the dispersion of a dataset relative to its mean (also called an average) and is a common measure of risk used by academics, analysts, portfolio managers and advisors. The higher the standard deviation, the higher the risk. Standard deviation is a measure of the dispersion of a dataset relative to its average and is calculated as the square root of the variance of the data from the average. If data points are far from the average, there is a higher deviation within the data set; thus, the more spread out the data, the higher the standard deviation. In finance, standard deviation is applied to the rate of return of an investment to measure the investment’s volatility.

Standard deviation is also known as historical volatility and is used by investors as a gauge for the amount of expected volatility or the uncertainty of expected returns. For example, among indexes of stocks, those indexes comprised of smaller companies, international companies and emerging market companies generally have had higher standard deviations than those indexes comprised of large companies in the U.S. over long time periods. As another example, among bond indexes, those bond indexes with longer durations and greater probabilities of default have had higher standard deviations over long time periods. However, it is not true that all indexes with higher standard deviations, such as those indexes comprised of small growth companies, have had higher returns over long time periods.

Annualized standard deviation approximates standard deviation over a period of one or more years and, is calculated by multiplying the standard deviation by the square root of the number of periods in one year. By way of example, the annualized standard deviation for a period of one year is calculated by multiplying the monthly standard deviation by the square root of 12, which is 3.46. In those charts and tables where the annualized standard deviation of daily returns is shown, it is estimated as the standard deviation of monthly returns divided by the square root of 22, which is 4.69.

Please note that the annualized standard deviation number computed from annual data may differ materially from the estimate obtained from monthly data. IFA has chosen this methodology because Morningstar uses the same method.

**Data Source Information**

**21.** IFA licenses data, in part, from Morningstar Direct, a third-party provider of stock market data. Where data is cited from Morningstar Direct, the following disclosures apply: ©2024 Morningstar, Inc. All rights reserved. The information provided by Morningstar Direct and contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. IFA Index Portfolios, times series, standard deviations, and returns calculations are derived using IFA proprietary calculation methods, which apply rebalancing rules, monthly fee adjustments and creates time series construction of data. Our source data comes from many places including Dimensional Fund Advisors and Morningstar Direct software as indicated in the relevant tables and charts.

**Disclaimer**

**22.** DISCLAIMER: THERE ARE NO WARRANTIES, EXPRESSED OR IMPLIED, AS TO ACCURACY, COMPLETENESS, OR RESULTS OBTAINED FROM ANY INFORMATION PROVIDED HEREIN OR ON THE MATERIAL PROVIDED.

This document and the information which it accompanies or to which it refers and relates does not constitute a complete description of IFA’s investment services and is for informational purposes only. It is in no way a solicitation or an offer to buy or sell securities or investment advisory services. Any statements regarding market or other financial information are obtained from sources which IFA and its suppliers believe to be reliable, but IFA does not warrant or guarantee the timeliness or accuracy of this information. Neither IFA’s information providers nor IFA shall be liable for any errors or inaccuracies, regardless of cause, or the lack of timeliness of, or for any delay or interruption in the transmission thereof to the user. All investments involve risk, including foreign currency exchange rates, political risks, market risk, different methods of accounting and financial reporting, and foreign taxes. Your use of these and all materials provided by IFA, including the [www.ifa.com](http://www.ifa.com) website and the IFA App is your acknowledgement that you have read and understood the full disclaimer as stated above. For additional updates please refer to [www.ifabt.com](http://www.ifabt.com).

**23.** This material is intended to be informational in nature and should not be construed as tax advice. As a division of IFA, IFA Taxes provides a wide array of tax planning, accounting and tax return preparation services for individuals and businesses across the United States. IFA Taxes does not provide auditing or attestation services and therefore is not a licensed CPA firm. IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, we inform you that any U.S. Federal tax advice contained in this communication is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing, or recommending to another party any transaction or matter herein.



# Index Descriptions

The following descriptions, definitions and important information explain how IFA Indexes are constructed to simulate similar risk and return characteristics back to 1928. The data for both the IFA Indexes and the model data for IFA Index portfolios is **hypothetical back-tested performance data** that represents a combination of index data and live mutual fund data. This long-term data reduces the possible errors of interpreting past short-term returns as being representative of future short-term returns. Such errors are especially high for periods of 20 years or less. When IFA Indexes are shown in Index Portfolios, all return data reflects a deduction of all mutual fund fees and a 0.90% annual investment advisory fee, which is the maximum advisory fee charged by IFA. Unless indicated otherwise, data shown for each individual IFA Index is shown without a deduction of the IFA advisory fee. This method is used because the creation, choice, monitoring and rebalancing of diversified index portfolios are the services of the independent investment advisor. Therefore, fees are deducted from the whole portfolio data but not the individual index data. Live Dimensional Fund Advisors' (DFA) fund data reflects the deduction of mutual fund advisory fees, brokerage fees, other expenses incurred by the mutual funds, incorporates actual trading results, and is sourced from DFA. Hypothetical back-tested index data also reflects mutual fund expense ratios for the entire period. Both hypothetical back-tested and live data reflect total returns (designated as TR), including dividends and capital gains, except for the period from February 1973 to September 2003 in the IFA/NSDQ Index. During this period, only a price index was available, which accounts solely for capital appreciation. For updates on sources and descriptions of data see [www.ifaindexes.com](http://www.ifaindexes.com).

Certain DFA Mutual Funds have entered into fee waiver and/or expense assumption arrangements with Dimensional Fund Advisors LP. In these cases, Dimensional Fund Advisors LP has contractually agreed, under certain circumstances, to waive certain fees and/or assume certain expenses of the portfolio. Unless otherwise stated in the prospectus, Dimensional Fund Advisors LP 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.

### IFA Indexes

Investments cannot be made directly in an index. The indexes constructed by IFA (the "IFA Indexes") include stock and bond indexes that represent a monthly data series that begins with index data from various sources on January 1, 1928. The construction of IFA Indexes data introduces live fund data of funds that are similar to the preceding index upon the inception date of the funds and uses that monthly fund data up to the current month.

The data for the IFA Indexes is hypothetical backtested performance data that represents a combination of index data and fund data. The underlying indexes and funds used in constructing the IFA Indexes are IFA's best estimate of an underlying index or fund that comes closest to the corresponding IFA Index objectives. Simulated index data, retroactively calculated by the applicable fund company (e.g. DFA) or research data source (Fama/French), is used for the period prior to the inception of the relevant live fund data, and a fund expense ratio is deducted from such simulated index data. For example, where a DFA or Fama/French index serves as the underlying index, DFA or Fama/French, respectively, calculate the simulated index data used by IFA for the corresponding IFA Index. Such simulated index data does not reflect actual fund data prior to the inception date of the fund comprising the IFA Index. Accordingly, any results shown during the periods prior to the inception date of a fund do not represent actual returns of the IFA Index.

Please see below for additional important information, including a description and the time series construction of the underlying indexes and funds relating to each IFA Index. The IFA Index Data Sources, IFA Indexes Time Series Construction and several of the Dimensional Indexes (available at [<https://www.ifa.com/disclosures/charts>]) are an integral part of this disclosure and should be read in conjunction with this explanation of the hypothetical backtested performance of the IFA Indexes. In addition, an extensive glossary of terms used throughout IFA's content, which includes these disclosures, can be found at <https://www.ifa.com/glossary>.

Certain DFA funds have entered into fee waiver and/or expense assumption arrangements with Dimensional Fund Advisors LP. In these cases, Dimensional Fund Advisors LP has contractually agreed, under certain circumstances, to waive certain fees and/or assume certain expenses of the portfolio. Unless otherwise stated in the prospectus, Dimensional Fund Advisors LP 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.

Visit [ifa.com/disclosures/history/](http://ifa.com/disclosures/history/) to see a summary of history of changes made to the IFA Indexes and Index Portfolios.

### Hypothetical Backtested Performance

Hypothetical backtested performance results have many inherent limitations, some of which are described herein. "Backtesting" is a process of objectively simulating historical investment returns by applying a set of rules for buying and selling securities, and other assets, backward in time, testing those rules, and hypothetically investing in the securities and other assets that are chosen. Backtesting is used to assess the viability of an investment strategy by building a simulation with historical data to analyze risk and profitability before risking any actual capital and is intended to allow investors to understand and evaluate certain strategies by seeing how they would have performed hypothetically during specific time periods.

The hypothetical backtested performance data comprising the IFA Index data represents a combination of index data and actual fund data. The monthly data series begins with index data on January 1, 1928 and introduces live fund data upon the inception date of each of the funds.

Hypothetical backtested performance was achieved with the benefit of hindsight; it does not represent actual investments in any investment strategies.

### Limitations of Hypothetical Performance Data

Hypothetical performance is significantly different from actual investment performance. There are certain limitations inherent in hypothetical results, which include, among others, that such hypothetical results: (a) do not reflect trading in actual client accounts, (b) and are dependent on the market and economic conditions that existed during the relevant period and do not reflect the impact that material economic and market factors may have had on the adviser's decision-making had the adviser actually been managing client funds, (c) unlike an actual performance record, hypothetical backtested results do not represent actual trading. These types of simulated IFA Indexes benefit compared to actual performance results because they are designed with the benefit of hindsight, (d) assume that the securities used in the hypothetical back-tested results were available for purchase or sale during the time period presented and the markets were sufficiently liquid to permit the types of trading used, and (e) does not involve or take into account financial risk and does not take into account that material and market factors may have impacted IFA's decision making, all of which can adversely affect actual trading results and performance. Hypothetical backtested performance does not reflect actual trading costs or the actual impact of taxes. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of hypothetical backtested performance results and all of which can adversely affect actual trading results.

- **All live fund portfolios tracked in IFA indexes are net of all fund fees.**
- **Indexes and hypothetical backtested data are also net of estimated fund fees.**
- **IFA Advisory fees are deducted when IFA indexes are presented in the IFA Index Portfolios.**

### ADDITIONAL INDEXES

The Dimensional Indices have been retrospectively calculated by Dimensional Fund Advisors LP and did not exist prior to their index inception dates. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors. Accordingly, results shown during the periods prior to each Index's index inception date do not represent actual returns of the Index. Other periods selected may have different results, including losses. Back-tested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Back-tested performance results assume the reinvestment of dividends and capital gains. Eugene Fama and Ken French are members of the Board of Directors of the general partner of, and provide consulting services to, Dimensional Fund Advisors LP.

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## LC IFA U.S. Large Company Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Sep 1999: Dimensional US Large Cap Index Minus 0.0075%/mo (net expense ratio)
- October 1999 - Jun 2017: DFA US Large Company Fund (DFUSX)
- Jul 2017 - Dec 2022: Schwab S&P 500 Index (SWPPX)
- Jan 2023 - Present: Dimensional US Equity ETF (DFUS)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Dimensional US Large Cap Index:** January 1928 - September 1999: Dimensional US Large Cap Index Composition: Market-capitalization-weighted index of securities of the largest US companies whose market capitalization falls in the highest 90% of the total market capitalization of the Eligible Market. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies Source: CRSP and Compustat.

The Dimensional US Large Cap Index has been retrospectively calculated by Dimensional Fund Advisors and did not exist prior to March 1st, 2007. Accordingly, the results shown during the periods prior to March 1st, 2007, do not represent actual returns of the Index. Other periods selected may have different results, including losses. Back-tested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Back-tested performance results assume the reinvestment of dividends and capital gains. The index monthly returns are computed as the simple average of the monthly returns of 12 sub-indices, each one reconstituted once a year at the end of each month of the year. The Index is unmanaged and is not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.

**DFA U.S. Large Company Fund (DFUSX):** October 1999 - June 2017: The U.S. Large Company Portfolio generally invests in the stocks that comprise the S&P 500® Index in approximately the proportions they are represented in the S&P 500® Index. The S&P 500® Index comprises a broad and diverse group of stocks. Generally, these are the U.S. stocks with the largest market capitalizations and, as a group, they generally represent approximately 80% of the total market capitalization of all publicly traded U.S. stocks. For the Portfolio, the Advisor considers the stocks that comprise the S&P 500® Index to be those of large companies. Under normal market conditions, at least 95% of the Portfolio's net assets will be invested in the stocks that comprise the S&P 500® Index. As a non-fundamental policy, under normal circumstances, the Portfolio will invest at least 80% of its net assets in securities of large U.S. companies.

**Schwab S&P 500 Index (SWPPX):** Jul 2017 - Dec 2022: The fund's goal is to track the total return of the S&P 500® Index. To pursue its goal, the fund generally invests in stocks that are included in the S&P 500® Index. It is the fund's policy that under normal circumstances it will invest at least 80% of its net assets (including, for this purpose, any borrowings for investment purposes) in these stocks; typically, the actual percentage is considerably higher. The fund generally will seek to replicate the performance of the index by giving the same weight to a given stock as the index does. The fund may invest in derivatives, principally futures contracts, and lend its securities to minimize the gap in performance that naturally exists between any index fund and its corresponding index. The fund may concentrate its investments (i.e., hold 25% or more of its total assets) in an industry or group of industries to the extent that the index the fund is designed to track is also so concentrated. Actual and back-tested performance results assume the reinvestment of dividends and capital gains.

**Dimensional US Equity ETF (DFUS):** Jan 2023 - Present: Dimensional Fund Advisors LP's (the "Advisor") tax management strategies for the US Equity ETF are designed to maximize the after tax value of a shareholder's investment. Generally, the Advisor buys and sells securities for the Portfolio with the goals of: (i) delaying and minimizing the realization of net capital gains (e.g., selling stocks with capital losses to offset gains, realized or anticipated); and (ii) maximizing the extent to which any realized net capital gains are long-term in nature (i.e., taxable at lower capital gains tax rates). The US Equity ETF, using a market capitalization weighted approach, is designed to generally purchase a broad and diverse group of equity securities of U.S. companies. As a non-fundamental policy, under normal circumstances, the US Equity ETF will invest at least 80% of its net assets in securities of U.S. companies. The Advisor considers companies of all market capitalizations for purchase by the Portfolio. The US Equity ETF is an actively managed exchange-traded fund and does not seek to replicate the performance of a specific index and may have a higher degree of portfolio turnover than such index funds. Net Asset Value (NAV) returns derived from Morningstar Direct and Dimensional Fund Advisors Returns Program are used in the calculation of returns.

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## LV IFA U.S. Large Cap Value Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Feb 1993: Dimensional Large Value Index minus 0.0183%/mo (net expense ratio)
- Mar 1993 - Dec 2022: DFA US Large Cap Value Fund (DFLVX)
- Jan 2023 - Present: Dimensional US Large Cap Value ETF (DFLV)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Dimensional US Large Cap Value Index:** January 1928 - December 1974: Composition: A subset of the US Large Cap Index. The subset is defined as companies whose relative price is in the bottom 25% of the US Large Cap Index after the exclusion of utilities, companies lacking financial data, and companies with negative relative price. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies Source: CRSP and Compustat.

January 1975 - February 1993: Composition: Consists of companies with market capitalizations above the 1000th largest company of the Eligible market whose relative price is in the bottom 30% of large companies after the exclusion of utilities, companies lacking financial data, and companies with negative relative price. The Index emphasizes securities with higher profitability, lower relative price, and lower market capitalization. Profitability is defined as operating income before depreciation and amortization minus interest expense divided by book equity. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies Source: CRSP and Compustat.

The Dimensional US Large Cap Value Index has been retrospectively calculated by Dimensional Fund Advisors and did not exist prior to March 1st, 2007. Accordingly, the results shown during the periods prior to March 1st, 2007, do not represent actual returns of the Index. Other periods selected may have different results, including losses. Back-tested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Back-tested performance results assume the reinvestment of dividends and capital gains. The index monthly returns are computed as the simple average of the monthly returns of 12 sub-indices, each one reconstituted once a year at the end of each month of the year. The Index is unmanaged and is not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results. The calculation methodology for the Dimensional US Large Cap Value Index was amended on January 1st, 2014, to include profitability as a factor in selecting securities for inclusion in the index. Dimensional Index data compiled by Dimensional. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.

**DFA US Large Cap Value Portfolio I (DFLVX):** Mar 1993 - Dec 2022: The U.S. Large Cap Value Portfolio pursues its investment objective by investing substantially all of its assets in the U.S. Large Cap Value Series. The U.S. Large Cap Value Series is designed to purchase a broad and diverse group of readily marketable securities of large U.S. companies that Dimensional Fund Advisors LP (the "Advisor") determines to be value stocks. Back-tested performance results assume the reinvestment of dividends and capital gains.

**Dimensional US Large Cap Value ETF (DFLV):** Jan 2023 - Present: The Portfolio is designed to purchase a broad and diverse group of readily marketable securities of large U.S. companies that the Advisor determines to be value stocks. As a non-fundamental policy, under normal circumstances, the Portfolio will invest at least 80% of its net assets in securities of large cap U.S. companies. As of the date of this Prospectus, for purposes of the Portfolio, the Advisor considers large cap companies to be companies whose market capitalizations are generally in the highest 90% of total market capitalization or companies whose market capitalizations are larger than or equal to the 1,000th largest U.S. company, whichever results in the higher market capitalization break. Total market capitalization is based on the market capitalization of eligible U.S. operating companies listed on a securities exchange in the United States that is deemed appropriate by the Advisor. Under the Advisor's market capitalization guidelines described above, based on market capitalization data as of December 31, 2023, the market capitalization of a large cap company would be \$9,960 million or above. This threshold will change due to market conditions. The Portfolio is an actively managed exchange traded fund and does not seek to replicate the performance of a specific index and may have a higher degree of portfolio turnover than such index funds. Net Asset Value (NAV) returns derived from Morningstar Direct and Dimensional Fund Advisors Returns Program are used in the calculation of returns.



## sc IFA U.S. Small Cap Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Mar 1992: Dimensional US Small Cap Index minus 0.0217%/mo (net expense ratio)
- Apr 1992 - Dec 2022: DFA US Small Cap Fund (DFSTX)
- Jan - Present: Dimensional US Small Cap ETF (DFAS)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Dimensional Small Cap Index:** January 1928 - December 1974: Dimensional US Small Cap Index Composition: Market-capitalization-weighted index of securities of the smallest US companies whose market capitalization falls in the lowest 8% of the total market capitalization of the Eligible Market. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies. Source: CRSP and Compustat.

January 1975 - Mar 1992: Dimensional US Small Cap Index Composition: Market-capitalization-weighted index of securities of the smallest US companies whose market capitalization falls in the lowest 8% of the total market capitalization of the Eligible Market. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies and companies with the lowest profitability and highest relative price within the small cap universe. The index also excludes those companies with the highest asset growth within the small cap universe. Profitability is defined as operating income before depreciation and amortization minus interest expense divided by book equity. Asset growth is defined as change in total assets from the prior fiscal year to current fiscal year. Source: CRSP and Compustat.

The Dimensional US Small Cap Index has been retrospectively calculated by Dimensional Fund Advisors and did not exist prior to March 1st, 2007. Accordingly, the results shown during the periods prior to March 1st, 2007, do not represent actual returns of the Index. Other periods selected may have different results, including losses. Back-tested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Back-tested performance results assume the reinvestment of dividends and capital gains. The index monthly returns are computed as the simple average of the monthly returns of 12 sub-indices, each one reconstituted once a year at the end of each month of the year. The Index is unmanaged and is not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results.

The calculation methodology for the Dimensional US Small Cap Index was amended on January 1st, 2014, to include profitability as a factor in selecting securities for inclusion in the index. The calculation methodology for the Dimensional US Small Cap Index was amended in December 2019 to include asset growth as a factor in selecting securities for inclusion in the index. Dimensional Index data compiled by Dimensional. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.

**DFA US Small Cap Portfolio I (DFSTX):** Apr 1992 - Dec 2022:The U.S. Small Cap Portfolio, using a market capitalization weighted approach, is designed to purchase a broad and diverse group of readily marketable securities of U.S. small cap companies. Back-tested performance results assume the reinvestment of dividends and capital gains.

**Dimensional US Small Cap ETF (DFAS):** Jan 2023 - Present: Dimensional Fund Advisors LP's (the "Advisor") tax management strategies for the US Small Cap ETF are designed to maximize the after tax value of a shareholder's investment. Generally, the Advisor buys and sells securities for the Portfolio with the goals of: (i) delaying and minimizing the realization of net capital gains (e.g., selling stocks with capital losses to offset gains, realized or anticipated); and (ii) maximizing the extent to which any realized net capital gains are long-term in nature (i.e., taxable at lower capital gains tax rates).

The US Small Cap ETF, using a market capitalization weighted approach, is designed to generally purchase a broad and diverse group of securities of U.S. small cap companies.

As a non-fundamental policy, under normal circumstances, the US Small Cap ETF will invest at least 80% of its net assets in securities of small cap U.S. companies. For the purposes of the Portfolio, the Advisor considers small cap companies to be companies whose market capitalizations are generally in the lowest 10% of total market capitalization or companies whose market capitalizations are smaller than the 1,000th largest U.S. company, whichever results in the higher market capitalization break. Total market capitalization is based on the market capitalization of eligible U.S. operating companies listed on a securities exchange in the United States that is deemed appropriate by the Advisor. Under the Advisor's market capitalization guidelines described above, based on market capitalization data as of December 31, 2023, the market capitalization of a small cap company would be below \$9,960 million. This threshold will change due to market conditions. The US Small Cap ETF is an actively managed exchange-traded fund and does not seek to replicate the performance of a specific index and may have a higher degree of portfolio turnover than such index funds. Net Asset Value (NAV) returns derived from Morningstar Direct and Dimensional Fund Advisors Returns Program are used in the calculation of returns.

## MC IFA U.S. Micro Cap Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Dec 1981: Dimensional US Micro Cap Index minus 0.0342%/mo (net expense ratio)
- Jan 1982 - Present: DFA US Micro Cap Portfolio (DFSCX)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Dimensional US Micro Cap Index:** June 1928 - December 1974: Dimensional US Micro Cap Index Composition: Market-capitalization-weighted index of securities of the smallest US companies whose market capitalization falls in the lowest 4% of the total market capitalization of the Eligible Market. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies Source: CRSP and Compustat

January 1975 - Present: Dimensional US Micro Cap Index Composition: Market-capitalization-weighted index of securities of the smallest US companies whose market capitalization falls in the lowest 4% of the total market capitalization of the Eligible Market. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies and companies with the lowest profitability and highest relative price within the small cap universe. The index also excludes those companies with the highest asset growth within the small cap universe. Profitability is defined as operating income before depreciation and amortization minus interest expense divided by book equity. Asset growth is defined as change in total assets from the prior fiscal year to current fiscal year. Source: CRSP and Compustat

The Dimensional US Micro Cap Index has been retrospectively calculated by Dimensional Fund Advisors and did not exist prior to March 1st, 2007. Accordingly, the results shown during the periods prior to March 1st, 2007, do not represent actual returns of the Index. Other periods selected may have different results, including losses. Back-tested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Back-tested performance results assume the reinvestment of dividends and capital gains. The index monthly returns are computed as the simple average of the monthly returns of 12 sub-indices, each one reconstituted once a year at the end of each month of the year. The Index is unmanaged and is not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results. The calculation methodology for the Dimensional US Micro Cap Index was amended on January 1st, 2014 to include profitability as a factor in selecting securities for inclusion in the index. The calculation methodology for the Dimensional US Micro Cap Index was amended in December 2019 to include asset growth as a factor in selecting securities for inclusion in the index. Dimensional Index data compiled by Dimensional. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.

**DFA US Micro Cap Portfolio I (DFSCX):** January 1982 - Present: The U.S. Micro Cap Portfolio, using a market capitalization weighted approach, is designed to purchase a broad and diverse group of the securities of U.S. micro cap companies. Back-tested performance results assume the reinvestment of dividends and capital gains.

## sv IFA U.S. Small Cap Value Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Mar 1993: Dimensional US Small Cap Value Index minus 0.0258%/mo (net expense ratio)
- Apr 1993 - Dec 2022: DFA US Small Cap Value Fund (DFSVX)
- Jan 2023 - Present: Dimensional US Small Cap Value ETF (DFSV)



DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Dimensional U.S. Small Cap Value Index:** January 1928 - December 1974: Dimensional US Small Cap Value Index Composition: A subset of the US Small Cap Index. The subset is defined as companies whose relative price is in the bottom 25% of the US Small Cap Index after the exclusion of utilities, companies lacking financial data, and companies with negative relative price. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies. Source: CRSP and Compustat.

January 1975 - March 1993: Dimensional US Small Cap Value Index Composition: A subset of the US Small Cap Index. The subset is defined as companies whose relative price is in the bottom 35% of the US Small Cap Index after the exclusion of utilities, companies lacking financial data, and companies with negative relative price. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies and companies with the lowest profitability within the small cap value universe. The index also excludes those companies with the highest asset growth within the small cap universe. Profitability is defined as operating income before depreciation and amortization minus interest expense divided by book equity. Asset growth is defined as change in total assets from the prior fiscal year to current fiscal year. Source: CRSP and Compustat.

The Dimensional US Small Cap Value Index has been retrospectively calculated by Dimensional Fund Advisors and did not exist prior to March 1st, 2007. Accordingly, the results shown during the periods prior to March 1st, 2007, do not represent actual returns of the Index. Other periods selected may have different results, including losses. Back-tested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Back-tested performance results assume the reinvestment of dividends and capital gains. The index monthly returns are computed as the simple average of the monthly returns of 12 sub-indices, each one reconstituted once a year at the end of each month of the year. The Index is unmanaged and is not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results.

The calculation methodology for the Dimensional US Small Cap Value Index was amended on January 1st, 2014, to include profitability as a factor in selecting securities for inclusion in the index. The calculation methodology for the Dimensional US Small Cap Value Index was amended in December 2019 to include asset growth as a factor in selecting securities for inclusion in the index. Dimensional Index data compiled by Dimensional. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.

**DFA US Small Cap Value Portfolio I (DFS VX):** Apr 1993 - Dec 2022:The U.S. Small Cap Value Portfolio, using a market capitalization weighted approach, is designed to purchase a broad and diverse group of the readily marketable securities of U.S. small cap companies that Dimensional Fund Advisors LP (the “Advisor”) determines to be value stocks. Back-tested performance results assume the reinvestment of dividends and capital gains.

**Dimensional US Small Cap Value ETF (DFS V):** Jan 2023 - Present: The Portfolio, using a market capitalization weighted approach, is designed to purchase a broad and diverse group of the readily marketable securities of U.S. small cap companies that the Advisor determines to be value stocks. The Portfolio may emphasize certain stocks, including smaller capitalization companies, lower relative price stocks, and/or higher profitability stocks as compared to their representation in the small-cap value segment of the U.S. market. As a non-fundamental policy, under normal circumstances, the Portfolio will invest at least 80% of its net assets in securities of small cap U.S. companies. As of the date of this Prospectus, for purposes of the Portfolio, the Advisor considers small cap companies to be companies whose market capitalizations are generally in the lowest 10% of total market capitalization or companies whose market capitalizations are smaller than the 1,000th largest U.S. company within the U.S. Universe, whichever results in the higher market capitalization break. Under the Advisor’s market capitalization guidelines described above, based on market capitalization data as of December 31, 2023, the market capitalization of a small cap company would be below \$9,960 million. This threshold will change due to market conditions. The Portfolio is an actively managed exchange-traded fund and does not seek to replicate the performance of a specific index and may have a higher degree of portfolio turnover than such index funds. Net Asset Value (NAV) returns derived from Morningstar Direct and Dimensional Fund Advisors Returns Program are used in the calculation of returns.

RE IFA Global REIT Index TR

TIME-SERIES CONSTRUCTION

- Jan 1928 - Dec 1977: 50% IFA Small Cap TR (SC) + 50% IFA Small Value TR (SV)
- Jan 1978 - Jan 1993: Dow Jones US Select REIT Index minus 0.0183%/mo (net expense ratio)
- Feb 1993 - Jun 2008: DFA Real Estate Fund (DFREX)
- Jul 2008 - Dec 2022: DFA Global Real Estate Securities Portfolio (DFGEX)
- Jan 2023 - Present: DFA Global Real Estate Fund (DFGR)

DEFINITIONS AND OTHER IMPORTANT INFORMATION

**50% IFA Small Cap TR (SC) + 50% IFA Small Value TR (SV):** January 1928 - December 1977: For Definitions see #3 IFA Small Cap Index TR (SC) and #5 IFA Small Value Index TR (SV) above.

**Dow Jones US Select REIT Index:** January 1978 - January 1993: Dow Jones U.S. Select REIT Index, Source: Dow Jones Indexes. Dow Jones Wilshire REIT Index, Source: Dow Jones Wilshire. Composition: U.S. publicly traded Real Estate Investment Trusts weighted by float-adjusted market capitalization. Back-tested performance results assume the reinvestment of dividends and capital gains. Total Returns in USD. © 2022 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

**DFA Real Estate Fund (DFREX):** February 1993 - June 2008: The DFA Real Estate Securities Portfolio, using a market capitalization weighted approach, purchases readily marketable equity securities of companies whose principal activities include ownership, management, development, construction, or sale of residential, commercial or industrial real estate. The Portfolio will principally invest in equity securities of companies in certain real estate investment trusts (“REITs”) and companies engaged in residential construction and firms, except partnerships, whose principal business is to develop commercial property. Back-tested performance results assume the reinvestment of dividends and capital gains.

**DFA Global Real Estate Securities Portfolio (DFGEX):** Jul 2008 - Dec 2022: The DFA Global Real Estate Securities Portfolio seeks to achieve exposure to a broad portfolio of securities of U.S. and non-U.S. companies in the real estate industry, with a focus on real estate investment trusts (“REITs”) or companies that Dimensional Fund Advisors LP (the “Advisor”) considers to be REIT-like entities. The Portfolio may pursue its investment objective by investing its assets in the DFA Real Estate Securities Portfolio, DFA International Real Estate Securities Portfolio (the “Underlying Funds”), and/or directly in securities of companies in the real estate industry. Back-tested performance results assume the reinvestment of dividends and capital gains.

**DFA Global Real Estate ETF (DFGR):** Jan 2023 - Present: The Portfolio, using a market capitalization weighted approach, purchases a broad and diverse set of securities of U.S. and non-U.S. companies principally engaged in the real estate industry, including developed and emerging markets, with a particular focus on real estate investment trusts (“REITs”) and companies the Advisor considers to be REIT-like entities. The Portfolio invests in companies of all sizes. As a non-fundamental policy, under normal circumstances, at least 80% of the Portfolio’s net assets will be invested in securities of companies in the real estate industry. The Portfolio concentrates (i.e., invests more than 25% of its net assets) its investments in securities of companies in the real estate industry. The Portfolio generally considers a company to be principally engaged in the real estate industry if the company (i) derives at least 50% of its revenue or profits from the ownership, management, development, construction, or sale of residential, commercial, industrial, or other real estate; (ii) has at least 50% of the value of its assets invested in residential, commercial, industrial, or other real estate; or (iii) is organized as a REIT or REIT-like entity. The Portfolio intends to invest its assets to gain exposure to at least three different countries, including the United States. The Advisor will generally seek to set country weights based on the relative market capitalizations of eligible companies within each approved market. As of the date of the Prospectus, the Portfolio invests approximately 74% of its net assets in U.S. companies. This percentage will change due to market conditions. The Portfolio is an actively managed exchange traded fund and does not seek to replicate the performance of a specific index and may have a higher degree of portfolio turnover than such index funds. Net Asset Value (NAV) returns derived from Morningstar Direct and Dimensional Fund Advisors Returns Program are used in the calculation of returns.

IV IFA International Value Index TR

TIME-SERIES CONSTRUCTION

- Jan 1928 - Jun 1955: IFA US Large Value Index TR (LV)
- Jul 1955 - Dec 1974: Dimensional UK Large Value minus 0.0225%/mo (net expense ratio)
- Jan 1975 - Dec 1989: Fama/French International Value minus 0.0225%/mo
- Jan 1990 - Feb 1994: Dimensional International Large Value Index minus 0.0225%/mo
- Mar 1994 - Dec 2022: DFA International Value Fund (DFIVX)
- Jan 2023 - Present: Dimensional International Value ETF (DFIV)

DEFINITIONS AND OTHER IMPORTANT INFORMATION

IFA US Large Value Index TR (LV): January 1928 - June 1955: For definition see #2 IFA US Large Value Index TR (LV) above.

**Dimensional UK Large Value Index:** December 1974: UK Large Value Index Source: Elroy Dimson, Stefan Nagel and Garrett Quigley Capturing the value premium in the UK, Financial Analysts Journal 2003, 59(6): 35-45. Created Returns, converted from GBP to USD using the WM/Reuters at 4 p.m. EST (closing spot), from PFPC exchange rate Country Code EX. Back-tested performance results assume the reinvestment of dividends and capital gains. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.

**Fama/French International Value Index:** January 1975 - February 1994: Consists of companies whose relative price is in the bottom 30% for the region. The index is reconstituted once a year at the end of December. Simulated from MSCI and Bloomberg data. Fama/French data provided by Fama/French. Back-tested performance results assume the reinvestment of dividends and capital gains. Permission for sharing Fama/French index data provided by Kenneth French, dated March 17, 2023. ©2023 Kenneth R. French.

**Dimensional International Large Value Index:** Jan 1990 - Feb 1994: Dimensional International Large Value Index: Consists of large cap companies in eligible markets whose relative price is in the bottom 30% of their country's large companies, after the exclusion of utilities and companies with either negative or missing relative price data. The index emphasizes companies with smaller capitalization, lower relative price, and higher profitability. The index also excludes those companies with the lowest profitability within their country's large value universe. Profitability is defined as operating income before depreciation and amortization minus interest expense divided by book equity. The index monthly returns are computed as the simple average of the monthly returns of four sub-indices, each one reconstituted once a year at the end of each quarter of the year. Maximum index weight of any one company is capped at 5%. Countries currently included are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and United Kingdom. Exclusions: REITs and Investment Companies. Source: Bloomberg  
The Dimensional International Large Value Index has been retrospectively calculated by Dimensional Fund Advisors and did not exist prior to Apr 2008. Accordingly, the results shown during the periods prior to Apr 2008 do not represent actual returns of the Index. Backtested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Backtested performance results assume the reinvestment of dividends and capital gains. The Index is unmanaged and is not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results. The calculation methodology for the Dimensional International Large Value Index was amended in Jan 2014 to include profitability as a factor in selecting securities for inclusion in the index. Dimensional Index data compiled by Dimensional. Our source data comes from many places including Dimensional Fund Advisors and Morningstar Direct software as indicated in the relevant tables and charts. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.

**DFA International Value Portfolio I (DFIVX):** Mar 1994 - Dec 2022: The DFA International Value Portfolio invests substantially all of its assets in the DFA International Value Series. The DFA International Value Series is designed to purchase securities of large non-U.S. companies in countries with developed markets that Dimensional Fund Advisors LP (the “Advisor”) determines to be value stocks. Back-tested performance results assume the reinvestment of dividends and capital gains.

**Dimensional International Value ETF (DFIV):** Jan 2023 - Present: The International Value ETF is designed to generally purchase securities of large non-U.S. companies in countries with developed markets that the Advisor determines to be lower relative price stocks. The International Value ETF intends to purchase securities of large companies associated with developed market countries that the Advisor has designated as approved markets. The Advisor determines the minimum market capitalization of a large company with respect to each country or region in which the Portfolio invests. Based on market capitalization data as of December 31, 2023, for the Portfolio, the market capitalization of a large company in any country or region in which the Portfolio invests would be \$1,457 million or above. This threshold will change due to market conditions. The International Value ETF is an actively managed exchange-traded fund and does not seek to replicate the performance of a specific index and may have a higher degree of portfolio turnover than such index funds. Net Asset Value (NAV) returns derived from Morningstar Direct and Dimensional Fund Advisors Returns Program are used in the calculation of returns.

IS IFA International Small Company Index TR

TIME-SERIES CONSTRUCTION

- Jan 1928 - Dec 1969: IFA Small Cap Index TR (SC)
- Jan 1970 - Sep 1996: Dimensional International Small Cap Index minus 0.0325%/mo (net expense ratio)
- October 1996 - Dec 2022: DFA International Small Company Portfolio I (DFISX)
- Jan 2023 - Present: Dimensional International Small Cap ETF (DFIS)

DEFINITIONS AND OTHER IMPORTANT INFORMATION

IFA Small Cap Index TR (SC): January 1928 - December 1969: For definition see #2 IFA Small Cap Index TR (SC) above

**Dimensional International Small Cap Index:** June 1981: 50% Hoare Govett Small Companies Index (hgsmall.ind), 50% Nomura Small Companies Index (nomura.ind)  
July 1981 - December 1989: Created by Dimensional. Includes securities of MSCI EAFE countries in the bottom 10% of market capitalization, excluding the bottom 1%. All securities are market capitalization weighted. Each country is capped at 50%. Rebalanced semiannually.

January 1990 - Sep 1996: Dimensional International Small Cap Index: Market-capitalization-weighted index of small company securities in the eligible markets, excluding those with the lowest profitability and highest relative price within their country's small cap universe. The index also excludes those companies with the highest asset growth within their country's small cap universe. Profitability is defined as operating income before depreciation and amortization minus interest expense divided by book equity. Asset growth is defined as change in total assets from the prior fiscal year to current fiscal year. The index monthly returns are computed as the simple average of the monthly returns of four sub-indices, each one reconstituted once a year at the end of each quarter of the year. Maximum index weight of any one company is capped at 5%. Countries currently included are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and United Kingdom. Exclusions: REITs and Investment Companies Source: Bloomberg The Dimensional International Small Cap Index has been retrospectively calculated by Dimensional Fund Advisors and did not exist prior to April 2008. Accordingly, the results shown during the periods prior to April 2008 do not represent actual returns of the Index. Back-tested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Back-tested performance results assume the reinvestment of dividends and capital gains. The Index is unmanaged and is not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results. The calculation methodology for the Dimensional International Small Cap Index was amended in January 2014 to include profitability as a factor in selecting securities for inclusion in the index. The calculation methodology for the Dimensional International Small Cap Index was amended in November 2019 to include asset growth as a factor in selecting securities for inclusion in the index. Dimensional Index data compiled by Dimensional. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.

**DFA International Small Company Fund (DFISX):** October 1996 - Dec 2022: The International Small Company Portfolio is a “fund of funds,” which means the Portfolio generally allocates its assets among other funds managed by Dimensional Fund Advisors LP (the “Advisor”) (the “Underlying Funds”), although it has the ability to invest directly in securities and derivatives. The International Small Company Portfolio is designed to provide investors with access to securities portfolios consisting of a broad range of equity securities of primarily small Canadian, Japanese, United Kingdom, Continental European and Asia Pacific companies. The Portfolio also may have some exposure to small capitalization equity securities associated with other countries or regions. Back-tested performance results assume the reinvestment of dividends and capital gains.

**Dimensional International Small Cap ETF (DFIS):** Jan 2023 - Present: The Portfolio, using a market capitalization weighted approach, is designed to purchase securities of small, non-U.S. companies in countries with developed markets. The Portfolio intends to purchase securities of small companies associated with developed market countries that the Advisor has designated as approved markets. As a non-fundamental policy, under normal circumstances, the Portfolio will invest at least 80% of its net assets in securities of small companies in the particular markets in which it invests. The Advisor determines the maximum market capitalization of a small company with respect to each country in which the Portfolio invests. Based on market capitalization data as of December 31, 2023, for the Portfolio, the market capitalization of a small company in any country in which the Portfolio invests would be below \$9,385 million. This threshold will vary by country or region. For example, based on market capitalization data as of December 31, 2023, the Advisor would consider a small company in Switzerland to have a market capitalization below \$9,385 million, a small company in Norway to have a market capitalization below \$1,687 million, and a small company in Japan to have a market capitalization below \$2,412 million. These thresholds will change due to market conditions. The Portfolio is an actively managed exchange-traded fund and does not seek to replicate the performance of a specific index and may have a higher degree of portfolio turnover than such index funds. Net Asset Value (NAV) returns derived from Morningstar Direct and Dimensional Fund Advisors Returns Program are used in the calculation of returns.



isv

## IFA International Small Cap Value Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Dec 1969: IFA Small Cap Value TR (SV)
- Jan 1970 - Jun 1981: IFA Int'l Small Company Index TR (IS)
- Jul 1981 - Dec 1994: Dimensional Int'l Small Cap Value Index minus 0.035%/mo (net expense ratio)
- Jan 1995 - Dec 2022: DFA Int'l Small Cap Value Portfolio I (DISVX)
- Jan 2023 - Present: Dimensional International Small Cap Value ETF (DISV)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**IFA Small Cap Value TR (SV):** January 1928 - December 1969: For definition see #5 IFA Small Cap Value Index TR (SV) above.

**IFA International Small Company Index TR (IS):** January 1970 - June 1981: For definition see #8 IFA International Small Company Index TR (IS) above.

**Dimensional International Small Cap Value Index:** July 1981 - December 1989: Created by Dimensional. Includes securities, of MSCI EAFE countries, in the top 30% of Book-to-Market by market capitalization conditional on the securities being in the bottom 10% of market capitalization, excluding the bottom 1%. All securities are market capitalization weighted. Each country is capped at 50%. Rebalanced semiannually.

January 1990 - Present: Dimensional International Small Cap Value Index: Consists of small cap companies in eligible markets whose relative price is in the bottom 35% of their country's respective constituents, after the exclusion of utilities and companies with either negative or missing relative price data. The index excludes securities with the lowest profitability within their country's small cap universe. The index also excludes those companies with the highest asset growth within their country's small cap universe. Profitability is defined as operating income before depreciation and amortization minus interest expense divided by book equity. Asset growth is defined as change in total assets from the prior fiscal year to current fiscal year. The index monthly returns are computed as the simple average of the monthly returns of four sub-indices, each one reconstituted once a year at the end of each quarter of the year. Maximum index weight of any one company is capped at 5%. Countries currently included are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and United Kingdom. Exclusions: REITs and Investment Companies Source: Bloomberg

The Dimensional International Small Cap Value Index has been retrospectively calculated by Dimensional Fund Advisors and did not exist prior to April 2008. Accordingly, the results shown during the periods prior to April 2008 do not represent actual returns of the Index. Back-tested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Back-tested performance results assume the reinvestment of dividends and capital gains. The Index is unmanaged and is not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results. The calculation methodology for the Dimensional International Small Cap Value Index was amended in January 2014 to include profitability as a factor in selecting securities for inclusion in the index. The calculation methodology for the Dimensional International Small Cap Value Index was amended in November 2019 to include asset growth as a factor in selecting securities for inclusion in the index. Dimensional Index data compiled by Dimensional. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.

**DFA International Small Cap Value Portfolio I (DISVX):** Jan 1995 - Dec 2022: The DFA International Small Cap Value Portfolio, using a market capitalization weighted approach, is designed to purchase securities of small, non-U.S. companies in countries with developed markets that Dimensional Fund Advisors LP (the “Advisor”) determines to be value stocks at the time of purchase. Back-tested performance results assume the reinvestment of dividends and capital gains.

**DFA International Small Cap Value ETF (DISV):** Jan 2023 - Present: The Portfolio, using a market capitalization weighted approach, is designed to purchase securities of small, non-U.S. companies in countries with developed markets that the Advisor determines to be value stocks at the time of purchase. The Portfolio intends to purchase securities of small value companies associated with developed market countries that the Advisor has designated as approved markets. As a non-fundamental policy, under normal circumstances, the Portfolio will invest at least 80% of its net assets in securities of small companies in the particular markets in which it invests. The Advisor determines the maximum market capitalization of a small company with respect to each country in which the Portfolio invests. Based on market capitalization data as of December 31, 2023, for the Portfolio, the market capitalization of a small company in any country in which the Portfolio invests would be below \$9,385 million. This threshold will vary by country or region. These thresholds will change due to market conditions. The Portfolio is an actively managed exchange-traded fund and does not seek to replicate the performance of a specific index and may have a higher degree of portfolio turnover than such index funds. Net Asset Value (NAV) returns derived from Morningstar Direct and Dimensional Fund Advisors Returns Program are used in the calculation of returns.

EM

## IFA Emerging Market Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Dec 1969: 50% IFA US Large Value TR (LV) + 50% IFA US Small Cap TR (SC)
- Jan 1970 - Dec 1988: 50% IFA International Value TR (IV) + 50% IFA International Small TR (IS)
- Jan 1989 - Apr 1994: Fama/French Emerging Markets Index minus minus 0.0292%/mo (net expense ratio)
- May 1994 - Dec 2022: DFA Emerging Markets Fund (DFEMX)
- Jan 2023 - Present: DFA Emerging Core Equity Market ETF (DFAE)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**50% IFA US Large Value Index TR (LV) + 50% IFA US Small Cap Index TR (SC):** January 1928 - December 1969: For definitions see #2 IFA US Large Value (LV) and #3 IFA US Small Cap TR (SC) above.

**50% IFA International Value TR (IV) + 50% IFA International Small TR (IS):** January 1970 - December 1988: For definitions see #7 IFA International Value Index TR (IV) and #8 IFA International Small Index TR (IS) above.

**Fama/French Emerging Markets Index :** January 1989 - April 1994: Fama/French Emerging Markets Value Index Courtesy of Fama/French from Bloomberg and IFC securities data. Includes stocks in the upper 30% book-to-market range in each country; companies weighted by float-adjusted market cap; rebalanced annually in June. Total Returns in USD. Back-tested performance results assume the reinvestment of dividends and capital gains. Fama/French and multifactor data provided by Fama/French. Permission for sharing Fama/French index data provided by Kenneth French, dated March 17, 2023. ©2023 Kenneth R. French.

**DFA Emerging Markets Portfolio I (DFEMX):** May 1994 - Present: The Emerging Markets Portfolio invests substantially all of its assets in the Emerging Markets Series. The Emerging Markets Series is designed to purchase a broad market coverage of larger companies associated with emerging markets, which may include frontier markets (emerging market countries in an earlier stage of development), authorized for investment by the Advisor's Investment Committee (“Approved Markets”). Back-tested performance results assume the reinvestment of dividends and capital gains.

**DFA Emerging Core Equity Market ETF (DFAE):** Jan 2023 - Present: The Emerging Markets Core ETF Portfolio is designed to purchase a broad and diverse group of readily marketable emerging markets securities that is composed of companies within the Emerging Markets Universe that meet the Advisor's investment criteria. The Portfolio will invest in companies of all sizes, with increased exposure to smaller capitalization, lower relative price, and higher profitability companies as compared to their representation in the Emerging Markets Universe. As a non-fundamental policy, under normal circumstances, the Portfolio will invest at least 80% of its net assets in emerging market equity investments that are defined in the Prospectus as Approved Market Securities. The Emerging Markets Core ETF is an actively managed exchange traded fund and does not seek to replicate the performance of a specific index and may have a higher degree of portfolio turnover than such index funds. Net Asset Value (NAV) returns derived from Morningstar Direct and Dimensional Fund Advisors Returns Program are used in the calculation of returns.



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## EV IFA Emerging Market Value Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Dec 1969: IFA U.S. Small Cap Value Index TR (SV)
- Jan 1970 - Dec 1988: IFA Emerging Markets Index TR (EM)
- Jan 1989 - Apr 1998: Dimensional Emerging Value Index minus 0.0358%/mo (net expense ratio)
- May 1998 - Dec 2022: DFA Emerging Markets Value Fund (DFEVX)
- Jan 2023 - Present: DFA Emerging Markets Value ETF (DFEV)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**IFA U.S. Small Cap Value Index TR (SV):** January 1928 - December 1969: For defintion see #5 IFA U.S. Small Cap Value Index TR (SV) above.

**IFA Emerging Markets Index TR (EM):** January 1970 - December 1988: For definition see #10 IFA Emerging Markets Index TR (EM) above.

**Dimensional Emerging Value Index:** January 1989 - Consists of companies whose relative price is in the bottom 33% of their country's respective constituents, after the exclusion of utilities and companies with either negative or missing relative price data. The index emphasizes companies with smaller capitalization, lower relative price, and higher profitability, excluding those with the lowest profitability within their country's small cap universe. The index also excludes those companies with the highest asset growth within their country's small cap universe. Profitability is defined as operating income before depreciation and amortization minus interest expense divided by book equity. Asset growth is defined as change in total assets from the prior fiscal year to current fiscal year. The index monthly returns are computed as the simple average of the monthly returns of four sub-indices, each one reconstituted once a year at the end of each quarter of the year. Maximum index weight of any one company is capped at 5%. Countries currently included are Brazil, Chile, China, Colombia, Czech Republic, Hungary, India, Indonesia, Malaysia, Mexico, Peru, Philippines, Poland, South Africa, South Korea, Taiwan, Thailand, and Turkey. Exclusions: REITs and Investment Companies. Source: Bloomberg The Dimensional Emerging Markets Value Index has been retrospectively calculated by Dimensional Fund Advisors and did not exist prior to April 2008. Accordingly, the results shown during the periods prior to April 2008 do not represent actual returns of the Index. Back-tested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Back-tested performance results assume the reinvestment of dividends and capital gains. The Index is unmanaged and is not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results. The calculation methodology for the Dimensional Emerging Markets Value Index was amended in January 2014 to include profitability as a factor in selecting securities for inclusion in the index. The calculation methodology for the Dimensional Emerging Markets Value Index was amended in November 2019 to include asset growth as a factor in selecting securities for inclusion in the index. Dimensional Index data compiled by Dimensional. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.

**DFA Emerging Markets Value Portfolio I (DFEVX):** May 1998 - Dec 2022:The Emerging Markets Value Portfolio invests substantially all of its assets in the Emerging Markets Value Fund. The Emerging Markets Value Fund is designed to purchase emerging market equity securities that are deemed by the Advisor to be value stocks at the time of purchase and associated with emerging markets, which may include frontier markets (emerging market countries in an earlier stage of development), authorized for investment by the Advisor's Investment Committee ("Approved Markets"). Back-tested performance results assume the reinvestment of dividends and capital gains.

**DFA Emerging Markets Value ETF (DFEV):** Jan 2023 - Present: The Portfolio is designed to purchase emerging market equity securities that are deemed by the Advisor to be value stocks at the time of purchase, which may include frontier markets (emerging market countries in an earlier stage of development), authorized for investment by the Advisor's Investment Committee ("Approved Markets"). As a non-fundamental policy, under normal circumstances, the Portfolio will invest at least 80% of its net assets in emerging markets investments that are defined in the Prospectus as Approved Markets securities. The Portfolio may purchase emerging market equity securities across all market capitalizations. The Portfolio is an actively managed exchange-traded fund and does not seek to replicate the performance of a specific index and may have a higher degree of portfolio turnover than such index funds. Net Asset Value (NAV) returns derived from Morningstar Direct and Dimensional Fund Advisors Returns Program are used in the calculation of returns.

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## ES IFA Emerging Market Small Cap Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Dec 1969: IFA U.S. Small Cap Index TR (SC)
- Jan 1970 - Dec 1988: IFA Emerging Markets Index TR (EM)
- Jan 1989 - Mar 1998: Fama/French Emerging Markets Small minus 0.0492%/mo (net expense ratio)
- Apr 1998 - Present: DFA Emerging Markets Small Fund (DEMSX)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**IFA U.S. Small Cap Index TR (SC):** January 1928 - December 1969: For definition see #3 IFA U.S. Small Cap Index TR (SC) above.

**IFA Emerging Markets Index TR (EM):** January 1970 - December 1988: For definition see #10 IFA Emerging Markets Index TR (EM) above.

**Fama/French Emerging Markets Small Index:** January 1989– March 1998: Courtesy of Fama/French from Bloomberg and IFC securities data. Includes stocks in the bottom 10% of aggregate market cap in each country; companies weighted by float-adjusted market cap; rebalanced annually in June. Total Returns in USD. Back-tested performance results assume the reinvestment of dividends and capital gains. Fama/French and multifactor data provided by Fama/French. Permission for sharing Fama/French index data provided by Kenneth French, dated March 17, 2023. ©2023 Kenneth R. French.

**DFA Emerging Markets Small Cap Portfolio I (DEMSX):** April 1998 - Present: The Emerging Markets Small Cap Portfolio invests substantially all of its assets in the Emerging Markets Small Cap Series. The Series is designed to purchase a broad market coverage of smaller companies associated with emerging markets, which may include frontier markets (emerging market countries in an earlier stage of development), authorized for investment by the Advisor's Investment Committee ("Approved Markets"). Back-tested performance results assume the reinvestment of dividends and capital gains.

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## 1F IFA One-Year Fixed Income Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Jun 1963: One-Month T-Bills minus 0.0108%/mo (net expense ratio)
- Jul 1963 - Jul 1983: ICE BofAML 1-Year US Treasury Note Index minus 0.0108%/mo (net expense ratio)
- Aug 1983 - Present: DFA U.S. One Year Fixed Income Fund (DFHIX)

DEFINITIONS AND OTHER IMPORTANT INFORMATION

**One-Month T-Bills Index:** January 1928 - June 1963: One-Month US Treasury Bills. Back-tested performance results assume the reinvestment of earnings. Source: Morningstar Former Source: Stocks, Bonds, Bills, And Inflation, Chicago: Ibbotson And Sinquefield, 1986. Currency: USD. Mutual fund universe statistical data and non-Dimensional money managers’ fund data provided by Morningstar, Inc.

**ICE BofAML 1-Year US Treasury Note Index:** July1 963 - July 1983: Back-tested performance results assume the reinvestment of earnings. CRSP/DFA. Total Returns in USD. Source: ICE Data Indices, LLC GC03 Index. Currency: USD. ICE BofAML index data copyright 2022 ICE Data Indices, LLC.

**DFA One-Year Fixed Income Portfolio (DFIHx):** August 1983 - Present: The One-Year Portfolio seeks to achieve its investment objective by generally investing in a universe of high-quality fixed income securities that typically mature in one year or less from the date of settlement. The Portfolio may, however, take a large position in securities maturing within two years from the date of settlement when higher yields are available. The Portfolio invests in U.S. government obligations, U.S. government agency obligations, dollar-denominated obligations of foreign issuers issued in the U.S., securities of domestic or foreign issuers denominated in U.S. dollars but not trading in the U.S., foreign government and agency obligations, bank obligations, including U.S. subsidiaries and branches of foreign banks, corporate obligations, commercial paper, repurchase agreements, money market funds and obligations of supranational organizations. Back-tested performance results assume the reinvestment of earnings.

2F IFA Two-Year Global Fixed Income Index

TIME-SERIES CONSTRUCTION

- Jan 1928 - Jun 1977: Five-Year T-Notes minus 0.0142%/mo (net expense ratio)
- Jul 1977 - Dec 1989: ICE BofAml US Treasury Index 1-3 Year minus 0.0142%/mo
- Jan 1990 - Feb 1996: FTSE World Government Bond Index 1-3 Years (hedged to USD) minus 0.0142%/mo
- Mar 1996 - Present: DFA 2-Year Global Fixed Income Fund (DFGFX)

DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Five-Year T-Notes Index:** January 1928 - June 1977: Five-Year US Treasury Notes. Back-tested performance results assume the reinvestment of earnings. Source: Morningstar. Former Source: Ibbotson Intermediate. Five Year Treasury Notes. Currency: USD Mutual fund universe statistical data and non-Dimensional money managers’ fund data provided by Morningstar, Inc.

**ICE BofAml US Treasury Index 1-3 Year:** July 1977 - December 1989: ICE BofAML 1-3 Year US Treasury Index. July 1977 - October 2017: BofA Merrill Lynch US Treasury Index 1-3 Years. Actual and back-tested performance results assume the reinvestment of earnings. Total Returns in USD. Source: ICE Data Indices, LLC G1O2 Index. Currency: USD. ICE BofA. ML index data copyright 2022 ICE Data Indices, LLC.

**FTSE World Government Bond Index 1-3 Years (hedged to USD):** January 1990 - February 1996: FTSE World Government Bond Index 1-3 Years (hedged to USD) Total Returns Hedged to USD. Actual and back-tested performance results assume the reinvestment of earnings. Source: FTSE. FTSE fixed income indices © 2022 FTSE Fixed Income LLC. All rights reserved.

**DFA Two-Year Global Fixed Income Portfolio (DFGFX):** March 1996 - Present: The Two-Year Global Portfolio seeks to maximize total returns from a universe of U.S. and foreign debt securities maturing in three years or less from the date of settlement. The Portfolio invests in obligations issued or guaranteed by the U.S. and foreign governments, their agencies and instrumentalities, corporate debt obligations, bank obligations, commercial paper, repurchase agreements, money market funds, securities of domestic or foreign issuers denominated in U.S. dollars but not trading in the United States, and obligations of supranational organizations. Back-tested performance results assume the reinvestment of earnings.

3G IFA Short Term Government Index TR

TIME-SERIES CONSTRUCTION

- Jan 1928- Dec 1972: Five Year T-notes minus 0.0142%/mo (net expense ratio)
- Jan 1973 - Jun 1987: Bloomberg U.S. Government Bond Index Intermediate minus 0.0167%/mo
- Jul 1987 - Present: DFA Short-Term Government Portfolio (DFFGX)

DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Five-Year T-Notes Index:** January 1928 - December 1972: Five-Year US Treasury Notes. Actual and back-tested performance results assume the reinvestment of earnings. Source: Morningstar. Former Source: Ibbotson Intermediate. Five Year Treasury Notes. Currency: USD. Mutual fund universe statistical data and non-Dimensional money managers’ fund data provided by Morningstar, Inc.

**Bloomberg Barclays U.S. Government Bond Index Intermediate:** January 1973 - June 1987: Bloomberg Barclays U.S. Government Bond Index Intermediate. November 2008 - August 2016: Barclays U.S. Government Bond Index Intermediate January 1973 - October 2008: Lehman Intermediate Government Bond Index Intermediate. Total Returns in USD. Maturity: 1-10 Years. Back-tested performance results assume the reinvestment of earnings. Source: Bloomberg. Currency: USD. Bloomberg Barclays data provided by Bloomberg Finance L.P.

**DFA Short-Term Government Portfolio (DFFGX):** July 1987 - Present: The Short-Term Government Portfolio seeks to maximize total returns from a universe of obligations of the U.S. Government and its agencies maturing in five years or less from the date of settlement. The credit quality of the securities purchased by the Portfolio will be that of the U.S. Government or its agencies. Back-tested performance results assume the reinvestment of earnings.

5F IFA Five-Year Global Fixed Income Index TR

TIME-SERIES CONSTRUCTION

- Jan 1928 - Nov 1990: IFA Short Term Government Index (3G)
- Dec 1990 - Present: DFA Five-Year Global Fixed Income Fund (DFGBX)

DEFINITIONS AND OTHER IMPORTANT INFORMATION

**IFA Short Term Government Index (3G):** January 1928 - November 1990: For definition see IFA Short Term Government Index (3G).Actual and back-tested performance results assume the reinvestment of earnings.

**DFA Five-Year Global Fixed Income Portfolio (DFGBX):** December 1990 - Present: The Five-Year Global Portfolio seeks to achieve its investment objective by generally investing in a universe of U.S. and foreign debt securities maturing in five years or less from the date of settlement. The Portfolio primarily invests in obligations issued or guaranteed by the U.S. and foreign governments, their agencies and instrumentalities, corporate debt obligations, bank obligations, commercial paper, repurchase agreements, money market funds, securities of domestic or foreign issuers denominated in U.S. dollars but not trading in the United States, and obligations of supranational organizations. Back-tested performance results assume the reinvestment of earnings.

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## IFA SP 500 Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Sep 1999: Dimensional US Large Cap Index Minus 0.0075%/mo (net expense ratio)
- October 1999 - Jun 2017: DFA US Large Company Fund (DFUSX)
- Jul 2017 - Dec 2022: Schwab S&P 500 Index (SWPPX)
- Jan 2023 - Present: Dimensional US Equity ETF (DFUS)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Dimensional US Large Cap Index:** January 1928 - September 1999: Dimensional US Large Cap Index Composition: Market-capitalization-weighted index of securities of the largest US companies whose market capitalization falls in the highest 90% of the total market capitalization of the Eligible Market. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies Source: CRSP and Compustat. The Dimensional US Large Cap Index has been retrospectively calculated by Dimensional Fund Advisors and did not exist prior to March 1st, 2007. Accordingly, the results shown during the periods prior to March 1st, 2007, do not represent actual returns of the Index. Other periods selected may have different results, including losses. Back-tested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Back-tested performance results assume the reinvestment of dividends and capital gains. The index monthly returns are computed as the simple average of the monthly returns of 12 sub-indices, each one reconstituted once a year at the end of each month of the year. The Index is unmanaged and is not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.

**DFA U.S. Large Company Fund (DFUSX):** October 1999 - June 2017: The U.S. Large Company Portfolio generally invests in the stocks that comprise the S&P 500® Index in approximately the proportions they are represented in the S&P 500® Index. The S&P 500® Index comprises a broad and diverse group of stocks. Generally, these are the U.S. stocks with the largest market capitalizations and, as a group, they generally represent approximately 80% of the total market capitalization of all publicly traded U.S. stocks. For the Portfolio, the Advisor considers the stocks that comprise the S&P 500® Index to be those of large companies. Under normal market conditions, at least 95% of the Portfolio's net assets will be invested in the stocks that comprise the S&P 500® Index. As a non-fundamental policy, under normal circumstances, the Portfolio will invest at least 80% of its net assets in securities of large U.S. companies.

**Schwab S&P 500 Index (SWPPX):** Jul 2017 - Dec 2022: The fund's goal is to track the total return of the S&P 500®Index. To pursue its goal, the fund generally invests in stocks that are included in the S&P 500 Index. It is the fund's policy that under normal circumstances it will invest at least 80% of its net assets (including, for this purpose, any borrowings for investment purposes) in these stocks; typically, the actual percentage is considerably higher. The fund generally will seek to replicate the performance of the index by giving the same weight to a given stock as the index does. The fund may invest in derivatives, principally futures contracts, and lend its securities to minimize the gap in performance that naturally exists between any index fund and its corresponding index. The fund may concentrate its investments (i.e., hold 25% or more of its total assets) in an industry or group of industries to the extent that the index the fund is designed to track is also so concentrated. Actual and back-tested performance results assume the reinvestment of dividends and capital gains.

**Dimensional US Equity ETF (DFUS):** Jan 2023 - Present: Dimensional Fund Advisors LP's (the "Advisor") tax management strategies for the US Equity ETF are designed to maximize the after tax value of a shareholder's investment. Generally, the Advisor buys and sells securities for the Portfolio with the goals of: (i) delaying and minimizing the realization of net capital gains (e.g., selling stocks with capital losses to offset gains, realized or anticipated); and (ii) maximizing the extent to which any realized net capital gains are long-term in nature (i.e., taxable at lower capital gains tax rates). The US Equity ETF, using a market capitalization weighted approach, is designed to generally purchase a broad and diverse group of equity securities of U.S. companies. As a non-fundamental policy, under normal circumstances, the US Equity ETF will invest at least 80% of its net assets in securities of U.S. companies. The Advisor considers companies of all market capitalizations for purchase by the Portfolio. The US Equity ETF is an actively managed exchange-traded fund and does not seek to replicate the performance of a specific index and may have a higher degree of portfolio turnover than such index funds. Net Asset Value (NAV) returns derived from Morningstar Direct and Dimensional Fund Advisors Returns Program are used in the calculation of returns.

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## IFA World Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Present: IFA Full Equity TR (100/0) Index Portfolio minus 0.075%/mo (advisor exp ratio)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**IFA World Index:** A globally diversified IFA proprietary all equity mutual fund portfolio seeking to achieve long-term capital appreciation. Includes IFA Large Company, IFA Large Value, IFA Small US Small Cap, IFA Small Cap Value, IFA Global REIT, IFA International Value, IFA International Small, IFA International Small Value, IFA Emerging Markets, IFA Emerging Markets Value, and IFA Emerging Market Small Index. Actual and Back-tested performance results assume the reinvestment of dividends and capital gains.

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## IFA NSDQ Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Jan 1973: Fama/French US Small Growth Research Index
- Feb 1973 - Sep 2003: NASDAQ Composite Index
- Oct 2003 - Present: Nasdaq Composite Total Return (XCMP) (Source: Morningstar)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Fama/French US Small Growth Simulated Portfolio (ex Utilities):** January 1928 - January 1973: Composition: US operating companies trading on the NYSE, AMEX or Nasdaq NMS. Maximum weight of any security in a portfolio is 4%. Exclusions: ADRs, Investment Companies, Tracking Stocks before 1993, non-US incorporated companies, Closed-end funds, Certificates, Shares of Beneficial Interests, Berkshire Hathaway Inc (Permco 540), negative book values, and Utilities. Sources: CRSP databases for returns and market capitalization: 1926 - present. Compustat and hand-collected book values: 1926 - 1992.CRSP links to Compustat and hand-collected links: 1926 - present. Book-to-market ratios provided by Dimensional: 1993 - present. Breakpoints: Before June 1996, the small portfolios contain firms with market capitalization below the 55th percentile of all eligible NYSE firms and the large portfolios contain firms with market caps above the 50th percentile. From June 1996 to December 2000, the size breakpoint for all portfolios is the market cap of the median eligible NYSE firm. The BtM breakpoints for 1926 to 2000 split the eligible NYSE firms with positive book equity into three categories: the top 30% are in value and the bottom 30% are in growth. Starting in January 2001, the size breakpoints are defined by cumulative market cap percentile rules. Small is the bottom 8% of the overall stock market and large is the top 90%. The BtM breakpoints are defined by the firms in the relevant size range. The breakpoints for small value (high BtM) and small growth (low BtM) assign 25% of the total market cap in the small size range to each portfolio. The BtM breakpoints for large assign 10% of the market equity of large firms to the large value portfolio and 20% to the large growth portfolio. Rebalancing: Annual (at the end of June): 1926 - 1992. Quarterly: 1993 - Present. Currency: USD Fama/French and multifactor data provided by Fama/French.

**NASDAQ Composite Index:** February 1973 - September 2003: The Nasdaq Composite Index is the market capitalization-weighted index of common equities listed on the Nasdaq stock exchange. The types of securities in the index include American depositary receipts, common stocks, real estate investment trusts (REITs) and tracking stocks, as well as limited partnership interests.

**Nasdaq Composite Total Return (XCMP):** Oct 2003 - Present: The Nasdaq Composite Index is the market capitalization-weighted index of common equities listed on the Nasdaq stock exchange. The types of securities in the index include American depositary receipts, common stocks, real estate investment trusts (REITs) and tracking stocks, as well as limited partnership interests.



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## IFA U.S. Total Market Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Apr 1992: Dimensional US Market Index minus 0.0025%/mo (mutual fund exp ratio)
- May 1992 - Present: Vanguard US Total Market Index Instl (VITSX)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Dimensional US Market Index:** January 1928 - Apr 1992: Dimensional US Market Index Composition: Market-capitalization-weighted index of securities of all US companies. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies. Source: CRSP and Compustat. The Dimensional US Market Index has been retrospectively calculated by Dimensional Fund Advisors and did not exist prior to March 1st, 2007. Accordingly, the results shown during the periods prior to March 1st, 2007, do not represent actual returns of the Index. Other periods selected may have different results, including losses. Back-tested index performance is hypothetical and is provided for informational purposes only to indicate historical performance had the index been calculated over the relevant time periods. Back-tested performance results assume the reinvestment of dividends and capital gains. The index monthly returns are computed as the simple average of the monthly returns of 12 sub-indices, each one reconstituted once a year at the end of each month of the year. The Index is unmanaged and is not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results. Dimensional Index data compiled by Dimensional. Used with permission, ©2024 Dimensional Fund Advisors.

**Vanguard US Total Market Index (VITSX):** May 1992 - Present: The Fund seeks to track the performance of a benchmark index that measures the investment return of the overall stock market. The Fund employs an indexing investment approach designed to track the performance of the CRSP US Total Market Index, which represents approximately 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-cap stocks regularly traded on the New York Stock Exchange and Nasdaq. The Fund invests by sampling the Index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, 2 approximates the full Index in terms of key characteristics. Actual performance results assume the reinvestment of dividends and capital gains.

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## IFA U.S. Large Growth Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - Dec 1974: Fama/French US Large Growth Research Index Index minus 0.0033%/mo (mutual fund exp ratio)
- Jan 1975 - Nov 1992: Dimensional US Large Growth Index minus 0.0033%/mo
- Dec 1992 - Present: Vanguard Growth Index Instl (VIGIX)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Dimensional US Large Cap High Price-to-Book Index:** January 1928 - Dec 1974: Composition: The index portfolios for July of year t to June t+1 include all NYSE, AMEX, and NASDAQ stocks for which we have market equity for December t-1 and June of t, and (positive) book-to-market equity data for fiscal year ending in t-1. Exclusions: ADRs, Investment Companies, Tracking Stocks, non-US incorporated companies, Closed-end funds, Certificates, Shares of Beneficial Interests, and negative book values. Sources: CRSP databases for returns and market capitalization: 1926 - present. Compustat and hand-collected book values: 1926 - present. CRSP links to Compustat and hand-collected links: 1926 - present. Breakpoints: The size breakpoint is the market capitalization of the median NYSE firm, so the big and small categories contain the same number of eligible NYSE firms. The BtM breakpoints split the eligible NYSE firms with positive book equity into three categories: 30% of the eligible NYSE firms with positive BE are in Low (Growth), 40% are in Medium (Neutral), and 30% are in High (Value). Rebalancing: Annual (at the end of June) 1926-Present Fama/French and multifactor data provided by Fama/French. Used with permission, ©2024 Dimensional Fund Advisors.

**Dimensional US Large Growth Index:** January 1975 - Nov 1992: Composition: Consists of companies with market capitalizations above the 1000th name whose relative price is in the top 50% of all large cap companies after the exclusion of utilities, companies lacking financial data, and companies with negative relative price. The Index emphasizes companies with higher profitability, lower relative price, and lower market capitalization. Profitability is defined as operating income before depreciation and amortization minus interest expense divided by book equity. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies. Source: CRSP and Compustat. Used with permission, ©2024 Dimensional Fund Advisors.

**Vanguard Growth Index (VIGIX):** Dec 1992 - Present: The Fund seeks to track the performance of a benchmark index that measures the investment return of large-capitalization growth stocks. The Fund employs an indexing investment approach designed to track the performance of the CRSP US Large Cap Growth Index, a broadly diversified index predominantly made up of growth stocks of large U.S. companies. The Fund attempts to replicate the target index by investing all, or substantially all, of assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index. Actual performance results assume the reinvestment of dividends and capital gains.

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## IFA U.S. Small Growth Index TR

### TIME-SERIES CONSTRUCTION

- Jan 1928 - May 1998: Fama/French Small Growth Research Index minus 0.005%/mo (mutual fund exp ratio)
- Jun 1998 - Present: Vanguard Small-Cap Growth Index Instl (VSGIX)

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Fama/French Small Growth Research Index:** Jan 1928 - May 1998: Composition: The index portfolios for July of year t to June t+1 include all NYSE, AMEX, and NASDAQ stocks for which we have market equity for December t-1 and June of t, and (positive) book-to-market equity data for fiscal year ending in t-1. Exclusions: ADRs, Investment Companies, Tracking Stocks, non-US incorporated companies, Closed-end funds, Certificates, Shares of Beneficial Interests, and negative book values. Sources: CRSP databases for returns and market capitalization: 1926 - present. Compustat and hand-collected book values: 1926 - present. CRSP links to Compustat and hand-collected links: 1926 - present. Breakpoints:“The size breakpoint is the market capitalization of the median NYSE firm, so the big and small categories contain the same number of eligible NYSE firms. The BtM breakpoints split the eligible NYSE firms with positive book equity into three categories: 30% of the eligible NYSE firms with positive BE are in Low (Growth), 40% are in Medium (Neutral), and 30% are in High (Value)” Rebalancing: Annual (at the end of June) 1926-Present Fama/French and multifactor data provided by Fama/French.

**Vanguard Small-Cap Growth Index (VSGIX):** Jun 1998 - Present: The Fund seeks to track the performance of a benchmark index that measures the investment return of small-capitalization growth stocks. The Fund employs an indexing investment approach designed to track the performance of the CRSP US Small Cap Growth Index, a broadly diversified index of growth stocks of small U.S. companies. The Fund attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the Index, holding each stock in approximately the same proportion as its weighting in the Index. Actual performance results assume the reinvestment of dividends and capital gains.



## Dimensional US Small Cap Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Dimensional US Small Cap Index:** was created by Dimensional in March 2007 and is compiled by Dimensional. It represents a market-capitalization-weighted index of securities of the smallest US companies whose market capitalization falls in the lowest 8% of the total market capitalization of the Eligible Market. The Eligible Market is composed of securities of US companies traded on the NYSE, NYSE MKT (formerly AMEX), and Nasdaq Global Market. Exclusions: Non-US companies, REITs, UITs, and Investment Companies and companies with the lowest profitability and highest relative price within the small cap universe. The index also excludes those companies with the highest asset growth within the small cap universe. Profitability is defined as operating income before depreciation and amortization minus interest expense divided by book equity. Asset growth is defined as change in total assets from the prior fiscal year to current fiscal year. Source: CRSP and Compustat. The index monthly returns are computed as the simple average of the monthly returns of 12 sub-indices, each one reconstituted once a year at the end of each month of the year. The Index is unmanaged and is not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Past performance is no guarantee of future results. The calculation methodology for the Dimensional US Small Cap Index was amended on January 1, 2014, to include profitability as a factor in selecting securities for inclusion in the index. Actual and back-tested performance results assume the reinvestment of dividends and capital gains. The calculation methodology for the Dimensional US Small Cap Index was amended in December 2019 to include asset growth as a factor in selecting securities for inclusion in the index. Our source data comes from many places including Dimensional Fund Advisors and Morningstar Direct software as indicated in the relevant tables and charts. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.



## Dimensional US High Profitability Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Dimensional US High Profitability Index:** was created by Dimensional in January 2014 and represents an index consisting of US companies. It is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three high-profitability subgroups. It is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: CRSP and Compustat. Actual and back-tested performance results assume the reinvestment of dividends and capital gains. Our source data comes from many places including Dimensional Fund Advisors and Morningstar Direct software as indicated in the relevant tables and charts. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.



## Dimensional US Low Profitability Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Dimensional US Low Profitability Index:** was created by Dimensional in January 2014 and represents an index consisting of US companies. It is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three low-profitability subgroups. It is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: CRSP and Compustat. Actual and back-tested performance results assume the reinvestment of dividends and capital gains. Our source data comes from many places including Dimensional Fund Advisors and Morningstar Direct software as indicated in the relevant tables and charts. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.



## Dimensional International Small Cap Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Dimensional International Small Cap Index:** was created by Dimensional in April 2008 and is compiled by Dimensional. July 1981–December 1993: It Includes securities of MSCI EAFE countries in the bottom 10% of market capitalization, excluding the bottom 1%. All securities are market capitalization weighted. Each country is capped at 50%. Rebalanced semiannually, January 1994–Present: Market-capitalization-weighted index of small company securities in the eligible markets excluding those with the lowest profitability and highest relative price within their country's small cap universe. The index also excludes those companies with the highest asset growth within their country's small cap universe. Profitability is defined as operating income before depreciation and amortization minus interest expense divided by book equity. Asset growth is defined as change in total assets from the prior fiscal year to current fiscal year. The index monthly returns are computed as the simple average of the monthly returns of four sub-indices, each one reconstituted once a year at the end of each quarter of the year. Maximum index weight of any one company is capped at 5%. Countries currently included are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and United Kingdom. Exclusions: REITs and Investment Companies Source: Bloomberg. The calculation methodology for the Dimensional International Small Cap Index was amended in January 2014 to include profitability as a factor in selecting securities for inclusion in the index. The calculation methodology for the Dimensional International Small Cap Index was amended in November 2019 to include asset growth as a factor in selecting securities for inclusion in the index. Back-tested performance results assume the reinvestment of dividends and capital gains. Our source data comes from many places including Dimensional Fund Advisors and Morningstar Direct software as indicated in the relevant tables and charts. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.



## Dimensional International Low Profitability Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Dimensional International Low Profitability Index:** was created by Dimensional in January 2013 and represents an index consisting of non-US developed companies. It is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization of each eligible country. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three low-profitability subgroups. The index is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: Bloomberg. Actual and back-tested performance results assume the reinvestment of dividends and capital gains. Our source data comes from many places including Dimensional Fund Advisors and Morningstar Direct software as indicated in the relevant tables and charts. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.



## Dimensional International High Profitability Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

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## Dimensional Emerging Markets High Profitability Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Dimensional Emerging Markets High Profitability Index:** was created by Dimensional in April 2013 and represents an index consisting of emerging markets companies and is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization of each eligible country. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three low-profitability subgroups. The index is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: Bloomberg. Actual and back-tested performance results assume the reinvestment of dividends and capital gains. Our source data comes from many places including Dimensional Fund Advisors and Morningstar Direct software as indicated in the relevant tables and charts. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.



## Dimensional Emerging Markets Low Profitability Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Dimensional Emerging Markets Low Profitability Index:** was created by Dimensional in April 2013 and represents an index consisting of emerging markets companies and is compiled by Dimensional. Dimensional sorts stocks into three profitability groups from high to low. Each group represents one-third of the market capitalization of each eligible country. Similarly, stocks are sorted into three relative price groups. The intersections of the three profitability groups and the three relative price groups yield nine subgroups formed on profitability and relative price. The index represents the average return of the three high-profitability subgroups. The index is rebalanced twice per year. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. Source: Bloomberg. Actual and back-tested performance results assume the reinvestment of dividends and capital gains. Our source data comes from many places including Dimensional Fund Advisors and Morningstar Direct software as indicated in the relevant tables and charts. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.



## Dimensional Emerging Markets Small Cap Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Dimensional Emerging Markets Small Cap Index:** was created by Dimensional in April 2008 and is compiled by Dimensional. January 1989–December 1993: Fama/French Emerging Markets Small Cap Index. January 1994–Present: Dimensional Emerging Markets Small Index Composition: Market-capitalization-weighted index of small company securities in the eligible markets excluding those with the lowest profitability and highest relative price within the small cap universe. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. The index monthly returns are computed as the simple average of the monthly returns of four sub-indices, each one reconstituted once a year at the end of a different quarter of the year. Source: Bloomberg. The calculation methodology for the Dimensional Emerging Markets Small Cap Index was amended on January 1, 2014, to include profitability as a factor in selecting securities for inclusion in the index. Actual and back-tested performance results assume the reinvestment of dividends and capital gains. Our source data comes from many places including Dimensional Fund Advisors and Morningstar Direct software as indicated in the relevant tables and charts. Permission for sharing Dimensional Indexes is provided by Dimensional Fund Advisors LP in End User License Agreement for Returns Program, dated February 1, 2023. ©2024 Dimensional Fund Advisors.



## Fama/French Total US Market Research Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Fama/French Total US Market Research Index:** July 1926–Present: Fama/French Total US Market Research Factor + One-Month US Treasury Bills. Source: Ken French Website [https://mba.tuck.dartmouth.edu/pages/faculty/ken.french/data\\_library.html](https://mba.tuck.dartmouth.edu/pages/faculty/ken.french/data_library.html). Fama/French and multifactor data provided by Fama/French. Back-tested performance results assume the reinvestment of dividends and capital gains. Permission for sharing Fama/French index data provided by Kenneth French, dated March 17, 2023. ©2023 Kenneth R. French.



## Fama/French US Value Research Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Fama/French US Value Research Index:** July 1926 - Present: Composition: The index portfolios for July of year t to June t+1 include all NYSE, AMEX, and NASDAQ stocks for which we have market equity for December t-1 and June of t, and (positive) book-to-market equity data for fiscal year ending in t-1. Exclusions: ADRs, Investment Companies, Tracking Stocks, non-US incorporated companies, Closed-end funds, Certificates, Shares of Beneficial Interests, and negative book values. Sources: CRSP databases for returns and market capitalization: 1926 - present. Compustat and hand-collected book values: 1926 - present. CRSP links to Compustat and hand-collected links: 1926 - present. Breakpoints: The BtM breakpoints split the eligible NYSE firms with positive book equity into three categories: 30% of the eligible NYSE firms with positive BE are in Low (Growth), 40% are in Medium (Neutral), and 30% are in High (Value). Rebalancing: Annual (at the end of June) 1926 to present. Fama/French and multifactor data provided by Fama/French. Back-tested performance results assume the reinvestment of dividends and capital gains. Permission for sharing Fama/French index data provided by Kenneth French, dated March 17, 2023. ©2023 Kenneth R. French.



## Fama/French US Growth Research Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Fama/French US Growth Research Index:** July 1926 - Present: Composition: The index portfolios for July of year t to June t+1 include all NYSE, AMEX, and NASDAQ stocks for which we have market equity for December t-1 and June of t, and (positive) book-to-market equity data for fiscal year ending in t-1. Exclusions: ADRs, Investment Companies, Tracking Stocks, non-US incorporated companies, Closed-end funds, Certificates, Shares of Beneficial Interests, and negative book values. Sources: CRSP databases for returns and market capitalization: 1926 - present. Compustat and hand-collected book values: 1926 - present. CRSP links to Compustat and hand-collected links: 1926 - present. Breakpoints: The BtM breakpoints split the eligible NYSE firms with positive book equity into three categories: 30% of the eligible NYSE firms with positive BE are in Low (Growth), 40% are in Medium (Neutral), and 30% are in High (Value). Rebalancing: Annual (at the end of June) 1926 to present Fama/French and multifactor data provided by Fama/French. Back-tested performance results assume the reinvestment of dividends and capital gains. Permission for sharing Fama/French index data provided by Kenneth French, dated March 17, 2023. ©2023 Kenneth R. French.



## Fama/French International Value Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Fama/French International Value Index:** Jan 1975 - Present: Fama/French International Value Index Consists of companies whose relative price is in the bottom 30% for the region. The index is reconstituted once a year at the end of Dec. Source: Ken French website. Simulated from MSCI and Bloomberg data. Fama/French and multifactor data provided by Fama/French. Back-tested performance results assume the reinvestment of dividends and capital gains. Permission for sharing Fama/French index data provided by Kenneth French, dated March 17, 2023. ©2023 Kenneth R. French.



## Fama/French International Growth Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

**Fama/French International Growth Index:** January 1975 - Present: Fama/French International Growth Index Consists of companies whose relative price is in the top 30% for the region. The index is reconstituted once a year at the end of December. Source: Ken French website. Simulated from MSCI and Bloomberg data. Fama/French and multifactor data provided by Fama/French. Back-tested performance results assume the reinvestment of dividends and capital gains. Permission for sharing Fama/French index data provided by Kenneth French, dated March 17, 2023. ©2023 Kenneth R. French.



## Fama/French Emerging Markets Value Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Fama/French Emerging Markets Value Index:** July 1989 - Present: Fama/French Emerging Markets Value Index Courtesy of Fama/French from Bloomberg and IFC securities data. Includes stocks in the upper 30% book-to-market range in each country; companies weighted by float-adjusted market cap; rebalanced annually in June. Fama/French and multifactor data provided by Fama/French. Total Returns in USD. Back-tested performance results assume the reinvestment of dividends and capital gains. Permission for sharing Fama/French index data provided by Kenneth French, dated March 17, 2023. ©2023 Kenneth R. French.



## Fama/French Emerging Markets Growth Index

### DEFINITIONS AND OTHER IMPORTANT INFORMATION

• **Fama/French Emerging Markets Growth Index:** July 1989 - Present: Fama/French Emerging Markets Growth Index Courtesy of Fama/French from Bloomberg and IFC securities data. Includes stocks in the bottom 30% book-to-market range in each country; companies weighted by float-adjusted market cap; rebalanced annually in June. Total Returns in USD. Fama/French and multifactor data provided by Fama/French. Back-tested performance results assume the reinvestment of dividends and capital gains. Permission for sharing Fama/French index data provided by Kenneth French, dated March 17, 2023. ©2023 Kenneth R. French.





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