

Social Shareholder Proposal Vote Details for Dimensional Social Equity Strategies

Social proposals voted for and against by Dimensional’s social equity strategies in proxy year 2020, (July 1, 2019–June 30, 2020), are listed below.¹

Votes in Favor

COMPANY NAME	PROPOSAL DESCRIPTION
Alphabet, Inc	Report on Takedown Requests
Alphabet, Inc	Establish Human Rights Risk Oversight Committee
Alphabet, Inc	Require Independent Director Nominee with Human and/or Civil Rights Experience
Alphabet, Inc.	Report on Arbitration of Employment-Related Claims
Amazon.com, Inc.	Report on Customers' Use of its Surveillance and Computer Vision Products or Cloud-Based Services
Amazon.com, Inc.	Report on Potential Human Rights Impacts of Customers' Use of Recognition
Amazon.com, Inc.	Report on Products Promoting Hate Speech and Sales of Offensive Products
Amazon.com, Inc.	Human Rights Risk Assessment
Apple, Inc.	Report on Freedom of Expression and Access to Information Policies
Delta Air Lines, Inc.	Report on Sexual Harassment Policy
Facebook, Inc.	Report on Online Child Sexual Exploitation
General Motors Company	Report on Human Rights Policy Implementation
IPG Photonics Corporation	Report on Management Team Diversity
KPO Logistics, Inc.	Report on Sexual Harassment
Lear Corporation	Report on Human Rights Impact Assessment
Microsoft Corporation	Report on Gender Pay Gap
National Healthcare Corporation	Report on Plans to Increase Board Diversity
Oracle Corporation	Report on Gender Pay Gap
Pilgrim's Pride Corporation	Report on Human Rights Due Diligence Process
Sanderson Farms, Inc.	Report on Human Rights Due Diligence
Santander Consumer USA Holdings Inc.	Report on Risk of Racial Discrimination in Vehicle Lending
Skechers U.S.A., Inc.	Adopt a Comprehensive Human Rights Policy
The Kroger Co.	Report on Human Rights Due Diligence Process in Operations and Supply Chain
Tyson Foods, Inc.	Report on Human Rights Risk Assessment Process
Walmart, Inc.	Report on Strengthening Prevention of Workplace Sexual Harassment

Votes Against

Board Diversity Proposals

Dimensional believes that shareholders’ interests are best represented by an independent board of directors, made up of individuals who collectively have the diverse backgrounds, experiences, and skillsets needed to effectively oversee management and manage risk. In order for Dimensional to adequately assess a portfolio company’s board refreshment and assessment process, Dimensional encourages companies to include a robust description of their processes for the selection of directors in their annual report or proxy statement.

COMPANY NAME	PROPOSAL DESCRIPTION	RATIONALE
Arthur J. Gallagher & Co.	Adopt a Policy on Board Diversity	The company already discloses information about its process for assessing and recruiting its board members, which includes information on how its recruitment process promotes a diverse candidate pool. In light of the above, and given the current board composition, we do not believe a separate policy requiring the inclusion of female and minority candidates in initial candidate lists is necessary at this time.
Berkshire Hathaway Inc.	Adopt a Policy on Board Diversity	The company discloses its process for selecting directors in its Corporate Governance Guidelines. Furthermore, the company discloses an annual board assessment and refreshment process that includes consideration of potential gaps in backgrounds, skillsets, and experiences. In light of the above, and given the current board composition, we do not believe a separate policy requiring the inclusion of female and minority candidates in initial candidate lists is necessary at this time.
Costco Wholesale Corporation	Disclose Board Diversity and Qualifications Matrix	The company already discloses a list of criteria considered when selecting directors in its Corporate Governance Guidelines. Furthermore, the company discloses an annual board assessment and refreshment process that includes consideration of potential gaps in backgrounds, skillsets, and experiences. In light of the above, and given the current board composition, we do not believe a matrix detailing the nominee's skills, ideological perspectives, and experience is necessary at this time.
Expeditors International of Washington, Inc.	Adopt a Policy on Board Diversity	The company discloses a policy on director nominations which states that diversity is a factor considered when determining the qualification of directors. The company's Governance Principles state that they strive to have a diverse board. Furthermore, the company discloses a process for conducting annual performance evaluations of the board and individual board members. In light of the above, and given the current board composition, we do not believe a separate policy requiring the inclusion of female and minority candidates in initial candidate lists is necessary at this time.

Gender/Racial Gap Proposals

Gender or racial pay gap proposals typically request a company report on statistics such as median pay for women versus median pay for men. However, these numbers generally do not paint a clear or necessarily informative picture of gender pay discrepancy in a manner that will allow shareholders to understand how the company is addressing pay gap issues. For example, median wage gap values do not reflect potential disparities between an organizations highest and lowest earners, and summary statistics, such as a median value, do not help shareholders understand the policies, procedures, and personnel a company has in place to address issues related to fair compensation and workforce equality.

COMPANY NAME	PROPOSAL DESCRIPTION	RATIONALE
Adobe Inc.	Report on Gender Pay Gap	We believe the company already provides sufficient disclosure on its approach to human capital management and workforce equality.
Alphabet Inc.	Report on Gender/Racial Pay Gap	We believe the company already provides sufficient disclosure on its approach to human capital management and workforce equality.
Amazon.com, Inc.	Report on Global Median Gender/Racial Pay Gap	We believe the company already provides sufficient disclosure on its approach to human capital management and workforce equality.
American Express Company	Report on Gender/Racial Pay Gap	We believe the company already provides sufficient disclosure on its approach to human capital management and workforce equality.
Bank of America Corporation	Report on Gender Pay Gap	We believe the company already provides sufficient disclosure on its approach to human capital management and workforce equality.
Cigna Corporation	Report on Gender Pay Gap	We believe the company already provides sufficient disclosure on its approach to human capital management and workforce equality.
Facebook, Inc.	Report on Median Gender/Racial Pay Gap	We believe the company already provides sufficient disclosure on its approach to human capital management and workforce equality.
Intel Corporation	Report on Global Median Gender/Racial Pay Gap	We believe the company already provides sufficient disclosure on its approach to human capital management and workforce equality.
JPMorgan Chase & Co.	Report on Gender/Racial Pay Gap	We believe the company already provides sufficient disclosure on its approach to human capital management and workforce equality.
The Bank of New York Mellon Corporation	Report on Gender Pay Gap	We believe the company already provides sufficient disclosure on its approach to human capital management and workforce equality.
Wells Fargo & Company	Report on Global Median Gender Pay Gap	We believe the company already provides sufficient disclosure on its approach to human capital management and workforce equality.

Other Social Proposals

Dimensional evaluates shareholder proposals on environmental or social issues, including the specific issues below, consistent with its general approach to shareholder proposals, paying particular attention to the portfolio company’s current handling of the issue, current disclosures, the financial materiality of the issue, market practices, and regulatory requirements.

COMPANY NAME	PROPOSAL DESCRIPTION	RATIONALE
Alphabet Inc.	Report on Whistleblower Policies and Practices	We believe that the company already provides sufficient disclosure of its policies and procedures regarding whistleblower practices.
Chevron Corporation	Report on Human Rights Practices	We believe the company already provides sufficient disclosure on its approach to human rights and related risk oversight, including a Human Rights Policy and board-level oversight of related issues through its Public Policy Committee.
Comcast Corporation	Report on Risks Posed by Failing to Prevent Sexual Harassment	We believe the company already provides sufficient disclosure of steps taken to improve its oversight of sexual harassment-related issues. These efforts include conducting an internal investigation, publishing a statement on the investigation’s findings, and disclosing board-level oversight of sexual harassment.
Facebook, Inc.	Report on Civil and Human Rights Risk Assessment	We believe that the company’s current board and management oversight structure is sufficient to oversee Civil and Human Rights related risk. The company’s risk management efforts are overseen by the board’s Audit and Risk Oversight Committee. The company has taken several steps to improve its management of these risks, including hiring a Director for Human Rights, creating a Civil Rights Task Force, and conducting a number of independent audits.
Facebook, Inc.	Require Independent Director Nominee with Human and/or Civil Rights Experience	We believe that the company’s current board oversight structure is sufficient to oversee human and/or civil rights-related risks. The company’s risk management efforts are overseen by the board’s Audit and Risk Oversight Committee. The company has taken several steps to improve its management of these risks, including hiring a Director for Human Rights, creating a Civil Rights Task Force, and conducting a number of independent audits.
PayPal Holdings, Inc.	Adopt Human and Indigenous People’s Rights Policy	We believe the company already provides sufficient disclosure on its approach to human rights related risk. The charter of the Board’s Corporate Governance and Nominating Committee specifically states that the Committee will oversee the firm’s environmental and social activities. In its response to the proposal the company affirms that this includes human rights.

1. Votes were made by one or more of Dimensional's social equity strategies. Such votes do not necessarily reflect those by Dimensional's equity strategies that are not social equity strategies. More information on Dimensional's proxy voting records may be found on Dimensional's public site dimensional.com.

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