

## To Our Shareholders

The Dodge & Cox Global Stock Fund—Class I had a total return of -5.80% for the year ended December 31, 2022, compared to a return of -18.36% for the MSCI ACWI Index and -18.14% for the MSCI World Index.<sup>1</sup>

### MARKET COMMENTARY

After three consecutive quarters of negative returns, global equity markets appreciated in the fourth quarter of 2022, but still finished down for the full year. The MSCI ACWI posted its worst calendar year return since 2008, as every sector of the Index declined with the sole exception of Energy (up 33%).

Geopolitical conflicts, high inflation, and interest rate hikes continued to fuel concerns about the potential for recession across various markets. Inflation has pulled back recently, but remains well above central bank targets for most large economies. For example, U.S. inflation ended the year at 6.5%, while the Eurozone ended above 9.0%. Hence, many companies continue to juggle the challenging combination of higher input prices, weaker end-market demand, and tighter credit markets.

Against this backdrop, global value stocks<sup>2</sup> outperformed growth stocks by 8.9 percentage points in the fourth quarter and 21.1 percentage points for the year.<sup>3</sup> Despite value stocks' recent outperformance, however, the valuation disparity with growth stocks remains very wide by historical standards. The MSCI ACWI Value Index<sup>4</sup> now trades at 11.3 times forward earnings<sup>5</sup> compared to 20.7 times for the MSCI ACWI Growth Index<sup>6</sup>, a gap that places it in the 85<sup>th</sup> percentile of historical observations.<sup>7</sup>

### INVESTMENT STRATEGY

Our persistent and patient valuation-based approach contributed to the Fund's outperformance this year. The Fund had a positive return of 13.3% for the fourth quarter, outperforming the MSCI ACWI by 3.5 percentage points.<sup>8</sup> For the full year, the Fund outperformed the MSCI ACWI by 12.6 percentage points, with a return of -5.8%, versus the MSCI ACWI's -18.4%. The Fund's overweight positions in value sectors, such as Energy and Financials, as well as its underweight positions in Information Technology and other expensive parts of the market, all contributed to the Fund's outperformance.

We believe the Fund is well positioned for the long term, based on the portfolio's attractive valuation and current exposures. The portfolio currently trades at 9.8 times forward earnings, versus 14.5 times for the MSCI ACWI. The Fund remains well diversified with

multiple investment drivers. Approximately 40% of the portfolio is invested in value opportunities (e.g., Financials, Energy, Materials). Another 45% is invested in reasonably priced secular growth opportunities in innovation-led companies (e.g., Health Care, Internet, Communication Services). The Fund remains underweight other sectors of the market—Consumer Discretionary (excluding Internet), Consumer Staples, Industrials, Real Estate, and Utilities—that have higher valuations. These remaining parts of the market represent 32% of the MSCI ACWI, but account for just 13% of the Fund.

We highlight below a few areas where the Fund is currently overweight.

### Energy and Financials

We developed our conviction and overweight in the Fund's Energy and Financials holdings over multiple years. Valuations became more attractive as concerns about economic growth weighed on expectations. We concluded that the Fund's holdings in these sectors looked unlikely to fare as poorly as valuations suggested and added to the Fund's positions. Our persistence was rewarded in 2022 as these sectors outperformed on a relative basis.

### Energy

Energy became the best-performing sector of the market in 2022, and the Fund's Energy holdings also outperformed the sector. We trimmed selected holdings on strength and sold Schlumberger.<sup>9</sup> Oil prices have fallen back to pre-invasion levels as Russian oil has continued to find its way to market and forecasts for demand growth have moderated. Nevertheless, the Fund remains overweight Energy for several reasons. First, it has not been easy to bring supply online, and the oil industry does not appear to have invested sufficiently to keep up with demand over the medium term. This could lead to higher oil prices over our investment horizon. More specifically, the Fund's Energy holdings are generating prolific cash flows. In previous cycles, industry cash flows were redeployed back into capital projects; instead, cash flows are now increasingly accruing to the benefit of shareholders, in the form of share repurchase, dividends, or debt reduction. Valuations also remain attractive—the MSCI ACWI Energy trades at 7.9 times forward earnings, already reflecting lower expectations for oil prices than we have seen more recently. Finally, commodities, such as Energy, could prove to be an effective hedge in an environment of input cost inflation.

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*Returns represent past performance and do not guarantee future results. Investment return and share price will fluctuate with market conditions, and investors may have a gain or loss when shares are sold. Mutual fund performance changes over time and may be significantly lower than stated above. Performance is updated and published monthly. Visit the Fund's website at [dodgeandcox.com](http://dodgeandcox.com) or call 800-621-3979 for current month-end performance figures.*

## Financials

While absolute returns were negative for the year, the Fund's Financials holdings outperformed the market, supported by the higher rate environment and better than expected macro backdrop. The Fund's Financials portfolio continues to trade at an attractive valuation, and is well diversified by region, as well as by core business exposures.

For example, the Fund's European and UK Financials holdings include globally focused asset management, insurance, and capital-markets oriented businesses, as well as retail and corporate banking businesses which tend to be more exposed to credit cycles. Notably, UBS Group is a global asset management business, while Standard Chartered and Prudential UK are focused on emerging markets and provide exposure to secular growth opportunities due to favorable demographics and continued financial services penetration. In addition, the Fund's holdings have demonstrated improved fundamentals, with stronger balance sheets that have survived real-life stress tests, including the most recent COVID cycle. Several have refocused on more profitable core business models and also stand to benefit from a rising rate environment. Most importantly, valuations are compelling, due to recession concerns facing the region for 2023. At December 31, 2022, Financials represented 25.4% of the Fund's net assets compared to 15.2% for the MSCI ACWI.

## China Internet

China equities, particularly China Internet stocks, declined meaningfully in 2021 and continued to trend downward through October 2022. Slower economic growth, adverse political developments, and heightened geopolitical tensions sent the MSCI China Index<sup>10</sup> down 63% and the CSI Overseas China Internet Index<sup>11</sup> down 81% from their peaks in February 2021 to their troughs in October 2022. Many China stocks, including most of the Fund's China Internet<sup>12</sup> holdings, were trading at decade low valuation levels.

We continued to monitor developments throughout the year and reaffirmed our views on individual stocks, relative to our assessment of potential regulatory and competitive developments. We added to selected China Internet holdings—Prosus, Alibaba, and JD.com—and also NetEase, a company that develops and operates some of the most popular PC and mobile games in China.

In the second half of 2022, the Chinese government signaled support for private enterprise and the economy, and loosened COVID restrictions. This led to a significant rebound in prices, benefiting the Fund's holdings. Despite this rebound, the CSI Overseas China Internet still ended the year 68% lower than that February 2021 peak. The Fund's holdings in this area appear to offer attractive growth potential at lower valuations, relative to similar franchises in other markets.

## Health Care

Market uncertainty can provide attractive opportunities in unexpected places. For example, in 2022, several of the Fund's holdings (GSK, Sanofi, and Haleon) declined over fears of potentially large legal liabilities related to the sale of Zantac, a heartburn medication that was sold under prescription and over the counter. Our team researched the issue, assessed the risk to be lower than the market reaction, and we added to the Fund's positions. These stocks later recovered when the Judge overseeing the large majority of initial cases concluded that the Plaintiff's causation evidence was not supported by reliable expert testimony and dismissed the cases in her court.

## IN CLOSING

Our long-term, active, value-oriented approach has enabled our firm to navigate many uncertain environments for over 90 years. In fact, we have found that periods of market uncertainty can provide attractive opportunities for investors with patience, discipline, and a long-term investment horizon.

Thank you for your continued confidence in Dodge & Cox. As always, we welcome your comments and questions.

For the Board of Trustees,



Dana M. Emery, Chair and President  
January 31, 2023

1. All returns are stated in U.S. dollars, unless otherwise noted. The Funds' total returns include the reinvestment of dividend and capital gain distributions, but have not been adjusted for any income taxes payable by shareholders on these distributions or on Fund share redemptions. Index returns include dividend and/or interest income but, unlike Fund returns, do not reflect fees or expenses. The MSCI ACWI (All Country World Index) Index is a broad-based, unmanaged equity market index aggregated from developed market and emerging market country indices. The MSCI World Index is a broad-based, unmanaged equity market index aggregated from developed market country indices. It covers approximately 85% of the free float-adjusted market capitalization in each country.
2. Generally, stocks that have lower valuations are considered "value" stocks, while those with higher valuations are considered "growth" stocks.
3. For the fourth quarter of 2022, the MSCI ACWI Value Index had a total return of 14.21% compared to 5.28% for the MSCI ACWI Growth Index. For the one year ended December 31, 2022, the MSCI ACWI Value Index had a total return of -7.55% compared to -28.61% for the MSCI ACWI Growth Index.
4. The MSCI ACWI Value Index captures large- and mid-cap securities exhibiting overall value style characteristics across developed market and emerging market countries. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price, and dividend yield.
5. Unless otherwise specified, all weightings and characteristics are as of December 31, 2022. Price-to-earnings (forward) ratios are calculated using 12-month forward earnings estimates from third-party sources as of the reporting period. Estimates reflect a consensus of sell-side analyst estimates, which may lag as market conditions change.
6. The MSCI ACWI Growth Index captures large- and mid-cap securities exhibiting overall growth style characteristics across developed market and emerging market countries. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate, long-term historical EPS growth trend, and long-term historical sales per share growth trend.
7. A percentile is a comparison score between a particular score and the scores of the rest of a group. It shows the percentage of scores that a particular score surpassed. This 85<sup>th</sup> percentile means that the current valuation disparity is in the 85<sup>th</sup> percentile of all monthly valuation disparities since June 2003.
8. Return for the Global Stock Fund's Class I shares.
9. The use of specific examples does not imply that they are more or less attractive investments than the portfolio's other holdings.
10. The MSCI China Index captures large- and mid-cap representation across China A shares, H shares, B shares, Red chips, P chips, and foreign listings (e.g., ADRs).
11. The CSI Overseas China Internet Index is designed to measure the performance of the investable universe of publicly traded China-based companies whose primary business or businesses are in the Internet and Internet-related sectors.
12. China Internet comprises Alibaba, Baidu, JD.com, and Prosus.

**Before investing in any Dodge & Cox Fund, you should carefully consider the Fund's investment objectives, risks, and charges and expenses. To obtain a Fund's prospectus and summary prospectus, which contain this and other important information, visit [dodgeandcox.com](https://dodgeandcox.com) or call 800-621-3979. Please read the [prospectus](#) and [summary prospectus](#) carefully before investing.**

Established in 1930, Dodge & Cox is one of the largest independently owned investment firms in the world. We manage money for individuals and institutions using a single value-oriented investment philosophy across a focused set of strategies.



Fund Inception  
May 1, 2008



Active Share<sup>1</sup>  
89.4%



# of Companies  
89



Countries Represented<sup>2</sup>  
20

#### Details

Expense Ratio	0.62%
Total Net Assets (billions)	\$10.1
CUSIP	256206202
Distribution Frequency	Annually
30-Day SEC Yield <sup>4</sup>	1.43%
Portfolio Turnover <sup>5</sup> (1/1/22 to 12/31/22)	25%

No sales charges or distribution fees

#### Risk Metrics (5 Years)

Beta (vs. MSCI ACWI) <sup>6</sup>	1.12
Standard Deviation <sup>7</sup>	21.43

#### Investment Committee

Managed by the Global Equity Investment Committee, whose members' average tenure at Dodge & Cox is 24 years.

#### Investment Objective

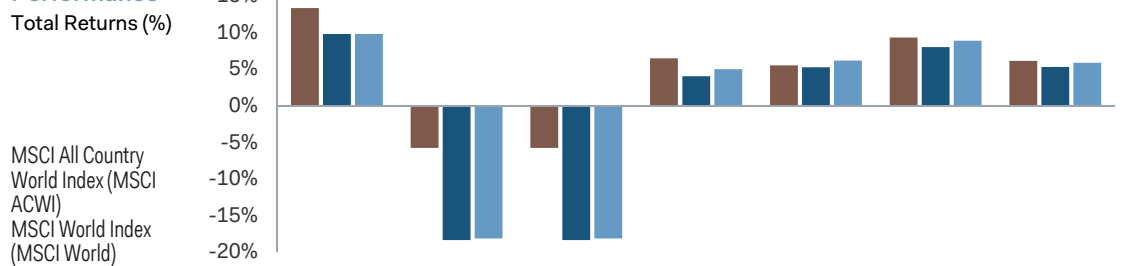
Dodge & Cox Global Stock Fund seeks long-term growth of principal and income.

#### Investment Approach

The Fund offers investors a highly selective, actively managed core global equity fund that invests in the U.S. and other developed countries as well as emerging markets, based on our analysis of fundamentals relative to current valuations. Generally, we:

- Target a diversified portfolio of equity securities, typically investing in medium-to-large, well-established companies that, in our opinion, appear to be temporarily undervalued by the stock market but have a favorable outlook for long-term growth.
- Select individual securities based on our analyses of various factors—including a company's financial strength, economic condition, competitive advantage, quality of the business franchise, financially material environmental, social, and governance (ESG) issues, and the reputation, experience, and competence of its management—as weighed against valuation.

#### Performance<sup>3</sup>



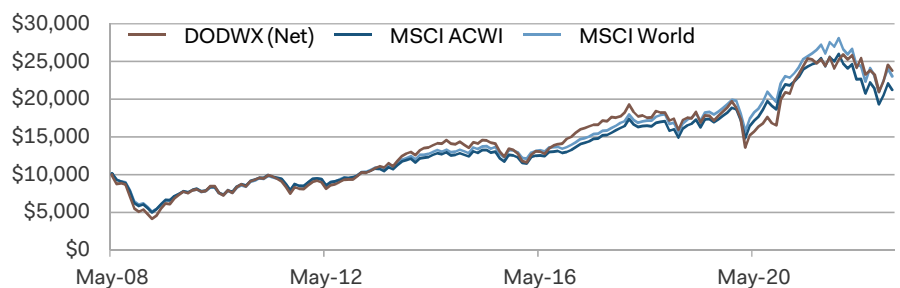
#### Average Annual Total Returns

	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since 5/1/2008
DODWX (Net)	13.27	-5.80	-5.80	6.44	5.46	9.29	6.08
MSCI ACWI	9.76	-18.36	-18.36	4.00	5.23	7.98	5.26
MSCI World	9.77	-18.14	-18.14	4.94	6.14	8.85	5.84

Returns represent past performance and do not guarantee future results. Investment return and share price will fluctuate with market conditions, and investors may have a gain or loss when shares are sold. Mutual fund performance changes over time and may be significantly lower than stated above. Performance is updated and published monthly. Visit the Fund's website at [dodgeandcox.com](http://dodgeandcox.com) or call 800-621-3979 for current month-end performance figures.

#### Hypothetical Growth of \$10,000<sup>3</sup>

For an investment made on May 1, 2008



**David Hoelt**  
CIO (29 yrs at Dodge & Cox)



**Steve Voorhis**  
Director of Research  
(26 yrs)



**Roger Kuo**  
President (24 yrs)



**Karol Marcin**  
Global Industry Analyst  
(22 yrs)



**Lily Beischer**  
Global Industry Analyst  
(21 yrs)

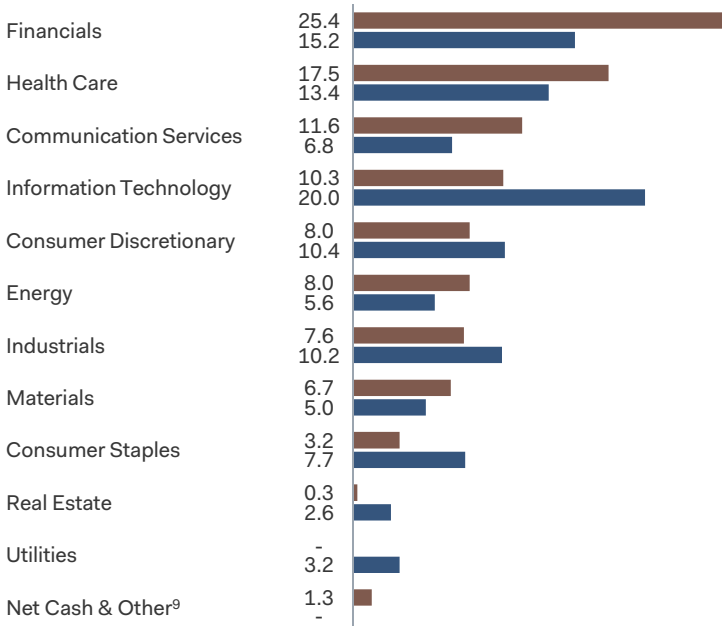


**Ray Mertens**  
Global Industry Analyst  
(19 yrs)

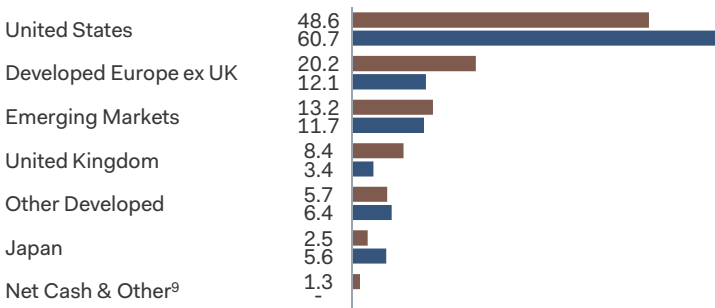
Portfolio Breakdown (% of Fund)

■ Fund ■ MSCI ACWI

Sectors<sup>8</sup>



Regions<sup>2,8</sup>



Ten Largest Equity Positions (% of Fund)<sup>8,10</sup>

Company	Fund (%)	MSCI ACWI (%)
Sanofi (France)	3.5	0.2
Occidental Petroleum Corp. (United States)	3.2	0.1
Alphabet, Inc. (United States)	2.8	1.8
Charles Schwab Corp. (United States)	2.5	0.2
GSK PLC (United Kingdom)	2.5	0.1
Suncor Energy, Inc. (Canada)	2.4	0.1
Ovintiv, Inc. (United States)	2.4	0.0
VMware, Inc. (United States)	2.4	0.0
Prosus NV (China)	2.3	0.1
Comcast Corp. (United States)	2.2	0.3

Portfolio Characteristics

Characteristic	Fund	MSCI ACWI
Price-to-Earnings (forward) <sup>11,12</sup>	9.8x	14.5x
Price-to-Earnings (trailing) <sup>11</sup>	9.6x	16.3x
Price-to-Book Value	1.4x	2.5x
Price-to-Sales <sup>13</sup>	1.2x	1.7x
Weighted Average Market Cap. (billions) <sup>14</sup>	\$141	\$246
Median Market Cap. (billions) <sup>15</sup>	\$39	\$5

Risks

The Fund invests in individual stocks and other securities whose market values fluctuate within a wide range, so that your investment may be worth more or less than its original cost. The Fund's performance could be hurt by equity risk, market risk, manager risk, non-U.S. currency risk, liquidity risk, derivatives risk, and geographic risk. The Fund invests in foreign securities which involve political, economic and currency risks, greater volatility and differences in accounting methods. These risks are greater for emerging markets. Please read the [prospectus](#) for specific details regarding the Fund's risk profile.

- Active Share is a measure of how much an investment portfolio differs from its primary benchmark index, based on a scale of 0% (complete overlap with the index) to 100% (no overlap). Overlap for each security in the Fund is the lower of either its percentage weight in the Fund or its percentage weight in the relevant index. Active share is calculated as 100% minus the sum of the overlapping security weights.
- The Fund may classify a company or issuer in a different category than the Index. The Fund usually classifies a company or issuer based on its country of risk, but may designate a different country in certain circumstances.
- All returns are stated in U.S. dollars, unless otherwise noted. The Funds' total returns include the reinvestment of dividend and capital gain distributions, but have not been adjusted for any income taxes payable by shareholders on these distributions or on Fund share redemptions. Index returns include dividend and/or interest income but, unlike Fund returns, do not reflect fees or expenses.
- SEC Yield is an annualization of the Fund's net investment income for the trailing 30-day period. Dividends paid by the Fund may be higher or lower than implied by the SEC Yield.
- Portfolio Turnover is calculated as the lesser of the portfolio purchases or sales divided by the average portfolio value for the period.
- Beta is a measure of the volatility—or systematic risk—of a portfolio compared to the benchmark measured over a specified time period.
- Standard Deviation measures the volatility of the Fund's returns. Higher Standard Deviation represents higher volatility.
- Excludes derivatives.
- Net Cash & Other includes cash, short-term investments, unrealized gain (loss) on derivatives, receivables, and payables.
- The Fund's portfolio holdings are subject to change without notice. The mention of specific securities is not a recommendation to buy, sell, or hold any particular security and is not indicative of Dodge & Cox's current or future trading activity.
- The portfolio's Price-to-Earnings ratios exclude extraordinary items and negative earnings. Benchmark figures include extraordinary items and negative earnings.
- Price-to-Earnings (forward) ratios are calculated using 12-month forward earnings estimates from third-party sources as of the reporting period. Estimates reflect a consensus of sell-side analyst estimates, which may lag as market conditions change.
- Portfolio calculation excludes Financials and Utilities.
- This figure sums the product of each holding's company market capitalization (market price multiplied by the number of shares outstanding) and weighting in the portfolio.
- Median market capitalization represents the midpoint of market capitalization for all of the equity securities in the portfolio. Half of the securities will have a higher market capitalization and half will have a lower market capitalization. (Market capitalization is a measure of the security's size. It is the market price of a security multiplied by the number of shares outstanding.)

Figures represented by a dash are zero or have no associated data while figures represented by a zero may be rounded to zero. The MSCI ACWI (All Country World Index) Index is a broad-based, unmanaged equity market index aggregated from developed and emerging market country indices. This is the Fund's Primary Benchmark. Results reflect dividends net of withholding taxes. The MSCI World Index is a broad-based, unmanaged equity market index aggregated from Developed Market country indices, including the United States. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed, or produced by MSCI. MSCI ACWI is a service mark of MSCI Barra. MSCI World is a service mark of MSCI Barra. For more information about these indices, visit [dodgeandcox.com](#).

Before investing in any Dodge & Cox Fund, you should carefully consider the Fund's investment objectives, risks, and charges and expenses. To obtain a Fund's prospectus and summary prospectus, which contain this and other important information, visit [dodgeandcox.com](#) or call 800-621-3979. Please read the [prospectus](#) and [summary prospectus](#) carefully before investing.

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