

To Our Shareholders

The Dodge & Cox International Stock Fund—Class I had a total return of 16.70% for the year ended December 31, 2023, compared to a return of 18.24% for the MSCI EAFE (Europe, Australasia, Far East) Index.¹

MARKET COMMENTARY

Global equity markets performed strongly in the first half of 2023, declined modestly in the third quarter, and surged in the fourth quarter. Investor sentiment improved as inflation decelerated and investors became increasingly convinced that interest rates have peaked. As a result, most developed and emerging markets posted strong returns for the full year: the MSCI EAFE appreciated 18.2%, and the MSCI Emerging Markets ex China Index² returned 20.0%. However, the MSCI China Index³ declined 11.2% due to growing macroeconomic concerns and heightened geopolitical tensions. Therefore, the overall MSCI Emerging Markets Index⁴ (which includes China) rose only 9.8%.

International value stocks⁵ outperformed growth stocks by 1.4 percentage points during 2023.⁶ The valuation gap between value and growth stocks remains wide at 1.7 standard deviations⁷: the MSCI EAFE Value Index⁸ trades at 9.8 times forward earnings⁹ compared to 20.1 times for the MSCI EAFE Growth Index.¹⁰

We are also seeing divergence across geographies. The valuation differential between international and U.S. equities is substantial: the MSCI EAFE trades at 13.2 times forward earnings, a significant discount to the S&P 500 Index¹¹ at 20.4 times. In addition, Chinese equities became more inexpensive in 2023, while Japanese equities became more expensive amid an improvement in corporate governance practices.

INVESTMENT STRATEGY

When macroeconomic concerns and geopolitical tensions dominate the headlines, as was the case in 2023, how do we navigate through the market noise? The answer is straightforward: we focus on finding individual companies with strong business fundamentals and attractive valuations. This combination provides a compelling foundation for long-term returns. Our experienced investment team's deep institutional knowledge of companies and industry dynamics enables us to unearth new opportunities and adjust portfolio positioning.

During portions of 2023, market volatility created opportunities for the Fund. As discussed below, we trimmed the Fund's Financials holdings as they outperformed and redeployed the proceeds into other areas of the portfolio. We found more opportunities in

consumer-related companies, an area of the market where we had previously not found much value due to relatively expensive valuations. Furthermore, we added to select China-Internet holdings¹² that were trading at depressed valuations.

Financials

Despite the U.S. regional banking crisis and concerns about global financial contagion in the first half of 2023, Financials was the Fund's top-contributing sector for the full year (up 29.1% compared to up 19.2% for the MSCI EAFE sector). In the eye of the storm, our global Financials team carefully reviewed the Fund's holdings, including stress-testing balance sheets, engaging with management teams, and closely monitoring regulatory developments. We concluded that the issues at a few U.S. regional banks were not representative of the broader global banking system. Our investment approach allowed us to take advantage of the volatility in the sector and add to several holdings—including BNP Paribas and Banco Santander—that later significantly outperformed as their balance sheets proved resilient, and their earnings benefited from a combination of rising interest rates and contained credit losses.¹³ Brazilian holdings XP and Itau Unibanco also performed strongly and were up 79.6% and 53.6%, respectively.

We trimmed several holdings that outperformed, including UBS Group (another standout contributor, which appreciated 70.3%). UBS Group, a leading global asset manager, acquired Credit Suisse, which restored confidence in the stability of the Swiss economy and banking system. This was a favorable deal for UBS, which acquired nearly \$58 billion in book value from Credit Suisse for only \$3 billion, a substantial discount for a transaction of this magnitude. UBS's share price surged in the second half of the year, making it the Fund's top-contributing holding for 2023. We trimmed UBS, but it remains one of the Fund's larger holdings (3.3% position). The company has an attractive mix of market-leading, capital-efficient, and geographically diversified businesses. UBS has created significant shareholder value in recent years through its high return on invested capital and strong capital allocation. While the merger introduces new risks (e.g., increased complexity, integration challenges, litigation), we have considered them in our analysis and believe the benefits outweigh the risks.

Despite these reductions, the Fund remains overweight Financials (25.8% versus 18.9% in the MSCI EAFE). These holdings are widely diversified across business segments and geographies. We believe these developed and emerging market holdings have attractive risk/reward profiles due to their resilient balance sheets, improved profitability, attractive capital return, and inexpensive valuations.

Greater China

After a strong finish to 2022, macroeconomic and geopolitical uncertainty weighed on China's equity market in 2023. We used this weakness as an opportunity to add to some of the Fund's China-Internet holdings, an area where we continue to find attractive valuations, strong balance sheets, shareholder-aligned management teams, and exposure to secular growth markets. Alibaba and JD.com are two holdings that we added to during 2023.

Alibaba, one of the Fund's largest China Internet holdings, experienced a number of headwinds throughout the year. The e-commerce giant battled increased competition and a slowing domestic economy. To address these challenges, Alibaba's management announced a reorganization to split its business units into independently run companies, each with a standalone board, incentive programs, and self-financing opportunities. We believe the announced plan should lead to better execution and recognition of the tremendous discount the company trades at on a sum-of-the-parts basis. In addition, Alibaba's core domestic e-commerce business has 51% market share and is asset-light, high-margin, and highly cash-generative. Alibaba also enhanced its share buyback program, which is well supported by its strong free cash flow¹⁴ generation. Alibaba accounted for 1.9% of the Fund on December 31.

In addition, we opportunistically added to JD.com, which has also faced increased competition in the e-commerce space. In response, management has announced its intention to add more product offerings by growing its third-party business to better complement its popular first-party franchise. While this is still in the early stages, it is a sign management acknowledges the increased competition in the e-commerce space and desires to remain a major market player. On top of its attractive valuation, JD.com has competitive advantages with high-quality products, logistics, and a strong consumer mindshare. JD.com (1.0% position) currently trades at 9.3 times forward earnings.

While Greater China¹⁵ detracted from the Fund's results in 2023, we remain enthusiastic about the Fund's holdings in this region. That said, given the heightened risk associated with the region, it's important to note that 90% of the Fund is invested in other areas of the market.

Consumer-Related Opportunities

While we have been closely monitoring consumer-related sectors for several years, recently lower valuations offered attractive entry points for us to start new positions in Adidas, Danone, Yum China, and International Flavors & Fragrances (IFF). One particularly intriguing new holding, IFF, is an example of how we look beyond country and sector classifications and focus on a company's underlying exposures. While domiciled in the United States and classified as a Materials company, we view IFF as a global leader (approximately 71% of its revenue is derived from outside the United States) with a consumer-related lens—selling flavors, scents, and other key ingredients to food, beverage, and consumer products companies.

2022 and 2023 were challenging years for IFF. The company's margins and valuation fell to their lowest levels in over a decade due to merger integration challenges. Management is cutting costs to boost margins. Moreover, activist investors are focused on keeping management disciplined and shareholders as a top priority. We believe these near-term challenges provided us an opportunity to buy a strong franchise at depressed levels. IFF operates in an attractive oligopolistic industry with high barriers to entry, low economic sensitivity, mission-critical inputs that are a small percentage of product costs, attractive growth, and historically stable margins. On December 31, IFF was a 0.9% position in the Fund.

IN CLOSING

In periods of uncertainty and heightened volatility, significant opportunities can be unearthed by bottom-up, active managers like Dodge & Cox. We believe our portfolio is well-positioned and remain confident in our ability to navigate challenging economic and market conditions. We remain enthusiastic about the long-term outlook for the Fund. However, valuation changes can occur swiftly and without warning, so we encourage our shareholders to maintain a long-term perspective.

Thank you for your continued confidence in our firm. As always, we welcome your comments and questions.

For the Board of Trustees,



Dana M. Emery, Chair and President

January 31, 2024

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 EAFE (Europe, Australasia, Far East) Index is a broad-based, unmanaged equity market index aggregated from developed market country indices, excluding the United States and Canada. It covers approximately 85% of the free float-adjusted market capitalization in each country.
2. The MSCI Emerging Markets ex China Index captures large- and mid-cap representation across emerging market countries excluding China.
3. The MSCI China Index captures large- and mid-cap representation across China A shares, H shares, B shared, Red chips, and P chips.
4. The MSCI Emerging Markets Index captures large- and mid-cap representation across emerging market countries.
5. Generally, stocks that have lower valuations are considered "value" stocks, while those with higher valuations are considered "growth" stocks.
6. For the year ended December 31, 2023, the MSCI EAFE Value Index had a total return of 18.95% and the MSCI EAFE Growth Index had a total return of 17.58%.
7. Unless otherwise specified, all weightings and characteristics are as of December 31, 2023. Standard deviation measures the volatility of the Fund's returns. Higher standard deviation represents higher volatility.
8. The MSCI EAFE Value Index captures large- and mid-cap securities exhibiting overall value style characteristics across developed market countries around the world, excluding the United States and Canada. 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.
9. 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.
10. The MSCI EAFE Growth Index captures large- and mid-cap securities exhibiting overall growth style characteristics across developed market countries around the world, excluding the United States and Canada. 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.
11. The S&P 500 Index is a market capitalization-weighted index of 500 large-capitalization stocks commonly used to represent the U.S. equity market.
12. The Fund's China-Internet holdings are Alibaba, Baidu, JD.com, and Prosus.
13. The use of specific examples does not imply that they are more or less attractive investments than the portfolio's other holdings.
14. Free cash flow is the cash a company generates after paying all expenses and loans.
15. Greater China includes China, Hong Kong, Macao, and Taiwan.

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.



International Stock Fund

CLASS I SHARES

TICKER **DODFX** | 2023 December 31
Open to All Investors

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, 2001



Active Share¹
87.1%



of Companies
72



Countries Represented²
22

Details

Expense Ratio 0.62%

Total Net Assets (billions) \$47.4

CUSIP 256206103

Distribution Frequency Annually

30-Day SEC Yield⁴ 2.38%

Portfolio Turnover⁵ 14%
(1/1/2023 to 12/31/2023)

No sales charges or distribution fees

Risk Metrics (5 Years)

Beta⁶ 1.12

Standard Deviation⁷ 21.27

Investment Committee

Managed by the International Equity Investment Committee, whose members' average tenure at Dodge & Cox is 22 years.

Investment Objective

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

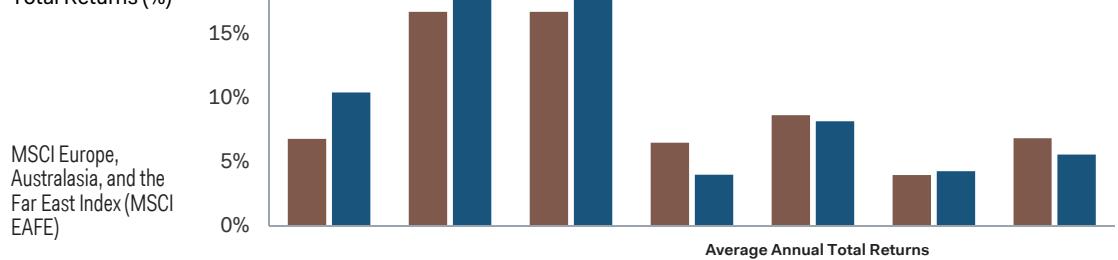
Investment Approach

The Fund offers investors a highly selective, actively managed core international equity fund that typically invests in companies in developed markets, (excluding the United States), and emerging markets, based on our analysis of companies' fundamentals relative to their current valuations. Generally, we:

- Target a diversified portfolio of equity securities issued by medium-to-large, well-established non-U.S. 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.

Performance³

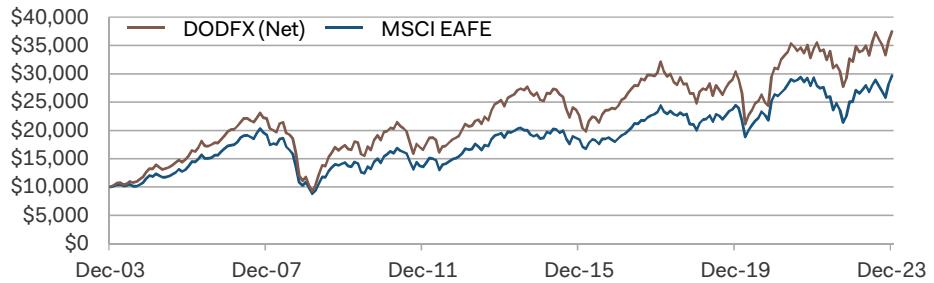
Total Returns (%)



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 or call 800-621-3979 for current month-end performance figures.

Hypothetical Growth of \$10,000³

For an investment made on December 31, 2003



Roger Kuo
President (25 yrs at Dodge & Cox)



Mario DiPrisco
Global Industry Analyst (25 yrs)



Keiko Horkan
Global Industry Analyst (23 yrs)



Bert Bangayan
Global Industry Analyst (21 yrs)

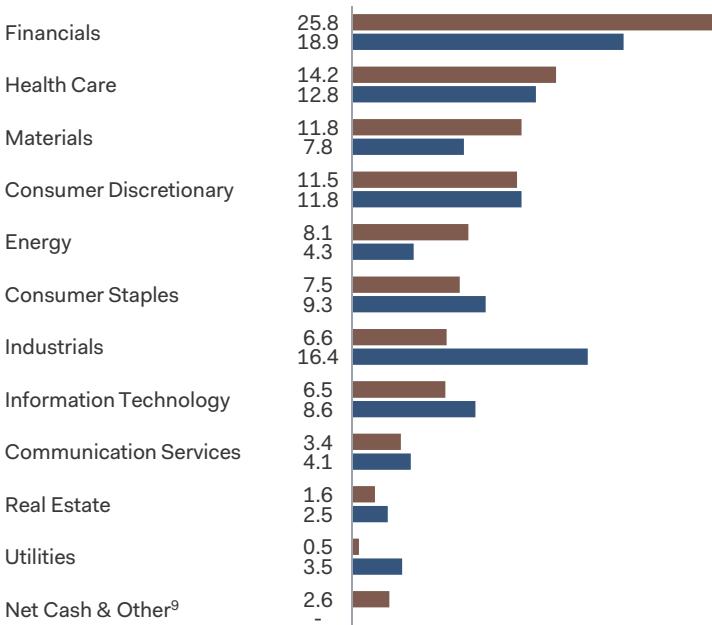
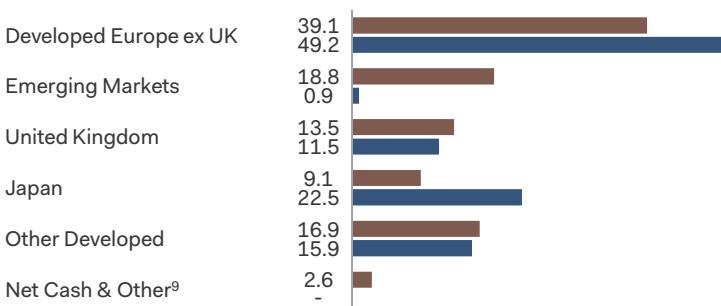


Ray Mertens
Global Industry Analyst (20 yrs)



Paritosh Somani
Global Industry Analyst (16 yrs)

Portfolio Breakdown (% of Fund)


Sectors⁸Regions^{2,8}Ten Largest Equity Positions (% of Fund)^{8,10}

	Fund	MSCI EAFE	Portfolio Characteristics	Fund	MSCI EAFE
BNP Paribas SA (France)	3.3	0.4	Price-to-Earnings (forward) ^{11,12}	10.1x	13.2x
Sanofi (France)	3.3	0.7	Price-to-Earnings (trailing) ¹¹	10.2x	14.7x
UBS Group AG (Switzerland)	3.3	0.6	Price-to-Book Value	1.3x	1.8x
Banco Santander SA (Spain)	3.2	0.4	Price-to-Sales ¹³	1.1x	1.3x
Novartis AG (Switzerland)	3.2	1.3	Weighted Average Market Cap. (billions) ¹⁴	\$82	\$76
TotalEnergies SE (France)	2.8	1.0	Median Market Cap. (billions) ¹⁵	\$40	\$9
Holcim, Ltd. (Switzerland)	2.7	0.3			
GSK PLC (United Kingdom)	2.7	0.5			
Itau Unibanco Holding SA (Brazil)	2.6	-			
Proses NV (China)	2.4	0.3			

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.

¹ 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.

² 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.

³ All returns are stated in U.S. dollars, unless otherwise noted. The Fund's 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.

⁴ 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.

⁵ Portfolio Turnover is calculated as the lesser of the portfolio purchases or sales divided by the average portfolio value for the period.

⁶ Beta is a measure of the volatility—or systematic risk—of a portfolio compared to the benchmark measured over a specified time period.

⁷ Standard Deviation measures the volatility of the Fund's returns. Higher Standard Deviation represents higher volatility.

⁸ Excludes derivatives.

⁹ Net Cash & Other includes cash, short-term investments, unrealized gain (loss) on derivatives, receivables, and payables.

¹⁰ 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.

¹¹ The portfolio's Price-to-Earnings ratios exclude extraordinary items and negative earnings. Benchmark figures include extraordinary items and negative earnings.

¹² 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.

¹³ Portfolio calculation excludes Financials and Utilities.

¹⁴ 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.

¹⁵ 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 EAFE (Europe, Australasia, Far East) Index is a broad-based, unmanaged equity market index aggregated from developed market country indices, excluding the United States and Canada. It covers approximately 85% of the free float-adjusted market capitalization in each country. Results reflect dividends net of withholding taxes. 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.

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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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