Dodge & Cox®
Worldwide Funds

Global Bond Fund

MARKET COMMENTARY

The first half of 2026 was shaped by the Middle East conflict, resilient global growth, and intensifying AI-related developments. A rise in oil prices coupled with a hawkish turn from the U.S. Federal Reserve (Fed) shifted policy expectations from two rate cuts to one rate hike, contributing to higher bond yields in the United States and other major economies, as well as a modestly stronger U.S. dollar. Despite intra-period volatility, the Credit sector generated positive excess returns, with spreads near historically tight levels. Overall, the Bloomberg Global Aggregate Bond Index (USD Hedged) delivered modestly positive returns.

Global policymakers weighed the energy shock against their domestic economic cycles. While the Fed has held interest rates steady this year, some developed market central banks hiked during the period. Examples included the Reserve Bank of Australia (75 basis points, bps) in response to strong domestic demand, the European Central Bank (25 bps) on energy price pressures, and the Bank of Japan (25 bps) as part of its multi-year process of normalising monetary policy. Among emerging markets, central bank moves were even more varied. For example, Brazil's Central Bank cut by 75 bps as inflation risks improved relative to growth risks, while Colombia's hiked by 275 bps in response to sticky inflation.

Ten-year yields were generally stable to higher across most major markets in the first half of the year. Long-dated Japanese government bonds, which the Fund did not own at the beginning of the period, were notable underperformers among developed markets as investors priced the potential for fiscal expansion after Prime Minister Takaichi's decisive election victory. Meanwhile, yields fell in Hungary and Colombia following market-friendly election outcomes.

Notwithstanding a volatile macro backdrop, credit spreads generally traded in a narrow range and ended the second quarter at similar levels to where they started the year. While the overall Bloomberg Global Aggregate Credit Index is trading at historically tight credit spread levels, many AI-related companies, including those spending heavily on AI infrastructure as well as those whose business models are under threat from AI, lagged the broader index.

The trade-weighted U.S. dollar appreciated 1% in the first half of the year. In the first quarter, the currencies of commodity exporters appreciated vs. the U.S. dollar, while in the second quarter, as expectations of policy tightening in the United States solidified, most developed market currencies fell vs. the U.S. dollar. Even so, domestic factors drove much of the dispersion across currencies. The Fund benefitted from exposures to the Brazilian real, Australian dollar, and Mexican peso, which strengthened against the U.S. dollar due to hawkish central bank policy and other idiosyncratic drivers.[1] Conversely, currencies such as the South Korean won and Japanese yen weakened noticeably vs. the U.S. dollar, given their status as oil importers, lower interest rates vs. the United States, and portfolio outflows.

INVESTMENT STRATEGY

The Fund seeks to generate attractive risk-adjusted returns by investing across global credit, currency, and interest rate markets. We rely on our active bottom-up investment process to navigate geopolitical uncertainty and remain focused on finding attractive risk/reward exposures over the long term. In the first half of 2026, we lengthened the Fund's duration by 0.4 years, added ten new credit issuers while keeping the Credit weight relatively stable, and made several changes to our mix of currency exposures.

Rates: Searching Far and Wide

Volatility in the first half of the year created several attractive interest rate opportunities through which we increased the Fund's duration from 6.2 to 6.6 years. At the same time, we further diversified the Fund's mix of duration exposures by trimming 0.4 years of U.S. duration. As of 30 June, the Fund had approximately 55% of its duration in the United States with the remainder split across more than a dozen non-U.S. developed and emerging markets.[2]

Within non-U.S. developed markets, the Fund's largest duration exposures are to countries that offer similar yields to the United States but that we believe face fewer upward pressures on interest rates. For example, we increased the Fund's exposure to long-term yields in Australia and Norway, where we believe yields are likely to decline over the coming years due to their credible central banks and strong fiscal positions. We also diversified the portfolio's Australian exposure by purchasing inflation-linked government bonds. For the first time in the Fund's history, we purchased ten- and thirty-year Japanese government bonds, where yields reached their highest level since the 1990s. Despite higher inflation and fiscal risks, we believe the roughly 60 bps sell-off in ten-year yields so far this year is overdone. We believe yields will decline over our investment horizon as inflation stabilises, investors regain confidence in Japan's fiscal backdrop, and large capital outflows begin to repatriate.

Within emerging markets, the Fund holds a diversified set of duration exposures with a focus on countries that we believe offer attractive real and nominal yields, coupled with credible and independent central banks. During the second quarter, we added duration exposure in Hungary following the election of a new prime minister, as we believe new leadership will bring tighter political integration with the European Union, easing near-term fiscal strains and improving long-term fiscal sustainability. We believe the administration's multi-year plan to adopt the Euro should also benefit long-term bonds as inflation and yields converge towards those of regional peers.

As we added duration in non-U.S. markets, we trimmed exposure to U.S. interest rates. While we continue to believe that U.S. duration risk remains attractively priced and offers hedging value against a recession or risk-off environment, we found the non-U.S. opportunities to offer attractive risk/reward and are mindful of the Fund's overall interest rate exposure.

Credit: Plenty under the Surface

The Fund's Credit allocation remains defensive in terms of size and composition, ending the first half with a 36% weight and an average duration of four years. Despite historically tight spreads and muted volatility at the credit index level, our active research process and disciplined search for value led us to initiate positions in ten new issuers during the first half. We believe the Fund's credit exposures have attractive risk/reward prospects, and that our positioning allows us to take advantage of market dislocations.

During the period, concerns that AI would disrupt the prospects of various businesses, along with a rise in issuance to fund AI-related capital expenditures, created valuation and technical opportunities for fundamental investors such as ourselves. For example, we started a position in long-dated debt of Meta Platforms. Despite Meta's more than $1 trillion market cap and Aa3/AA- credit ratings, investor concerns around high capital expenditures have made its long bonds trade wider than those of most investment-grade issuers. At the shorter end of the curve, we started positions in several companies that the market fears AI will disrupt, such as Fidelity National Information Services and ServiceNow, but that we believe are durable due to the critical services they provide and tight integration with their customers.

Currency: Trimming Winners, Adding to Laggards

We reduced the Fund's non-U.S. currency weight by 0.9 percentage points to 21.9% in the first half. In line with our price-disciplined approach, we trimmed two longstanding exposures—the Mexican peso and Swedish krona—in the first quarter, as both had appreciated vs. the U.S. dollar and their risk/reward profiles became less compelling over our investment horizon. Regarding the Mexican peso, the rationale to trim also acknowledged challenges around ongoing USMCA trade negotiations and a lacklustre growth outlook.[3] Similarly, in the second quarter, we decreased the portfolio's exposure to the Hungarian forint after its sharp rally against the U.S. dollar following the election outcome.

On the other hand, we increased exposure to the South Korean won, which had sold off vs. the U.S. dollar due to the rise in energy prices and portfolio outflows stemming from strong gains in Korean semiconductor stocks. As these flows normalise, we believe the currency should better reflect South Korea's large current account surplus, strong economic fundamentals, and attractive valuation. We also added to the Chilean peso, which similarly sold off due to the rise in energy prices, but we believe has a promising multi-year outlook given strong institutional underpinnings, the likelihood of market-friendly policy decisions, and exposure to the green transition's demand for metals, among other reasons.

IN CLOSING

We are enthusiastic about the Fund's return prospects given its attractive set of exposures across interest rates, credit, and currencies. We have taken advantage of market dislocations year to date and remain confident that our value-driven, bottom-up approach will guide us well in an uncertain world.

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

David Hoeft
Chair, Chief Investment Officer,
Dodge & Cox

Roger Kuo
Chief Executive Officer, President,
Dodge & Cox

31 July 2026

1. The use of specific examples does not imply that they are more or less attractive investments than the Fund's other holdings.
2. Unless otherwise specified, all weightings and characteristics are as of 30 June 2026.
3. USMCA stands for the United States-Mexico-Canada Agreement.

See Disclosures for a full list of financial terms and Index definitions.

Dodge & Cox®
Worldwide Funds

Global Bond Fund

30 June 2026

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

Fund Inception
1 May 2014

Diversified Portfolio

Seeks Above-Average Yield to Maturity[2]

Countries Represented[3]
24

Details

Total Net Assets (billions)	$1.3
Distribution Frequency	Quarterly
Portfolio Turnover[6] (01/07/2025 to 30/06/2026)	42%
Base Currency	U.S. Dollar
Structure	UCITS
Domicile	Ireland

Benchmark

Bloomberg Global Aggregate Bond Index (USD Hedged) - BBG Global Agg (H)

Risk Metrics (5 Years)

Standard Deviation[9,10]	7.19
Sharpe Ratio[9,11]	-0.05

Investment Committee

Managed by the Global Fixed Income Investment Committee, whose members' average tenure at Dodge & Cox is 18 years.

Investment Objective

The Global Bond Fund seeks a high rate of total return consistent with long-term preservation of capital.

Investment Approach[1]

The Fund offers investors a highly selective, actively managed fund that complements core bond holdings by providing a diversified portfolio of carefully researched investments across global credit, currency, and interest rate markets over a long-term horizon. Generally, we:

- Invest with a total return mindset consistent with capital preservation across a global investment universe that includes government and government-related obligations, mortgage- and asset-backed securities, corporate and municipal bonds, and other debt securities, from both developed and emerging markets.
- Build a diversified portfolio across several dimensions, including sector, country, currency, and economic exposure.
- Select individual securities based on fundamental research and consider a variety of factors, including yield, credit quality, liquidity, covenants, call risk, duration, structure, and capital appreciation potential, as well as financially material environmental, social, and governance (ESG) issues.
- May employ various currency, interest rate, and credit-related derivatives, including forwards, futures, and swaps.

Share Classes

	Minimum Investment	Expense Ratio[4]	Distribution Yield[5]	SEDOL	ISIN	Bloomberg
USD Accumulating Class	$50,000	0.45%	-	B5568D6	IE00B5568D66	DCGBDUA
GBP Distributing Class	£50,000	0.45%	4.8%	B556C01	IE00B556C015	DCGBDGI
GBP Distributing Class (H)	£50,000	0.45%	4.8%	BLG2YK4	IE00BLG2YK48	DCGBGIH
EUR Accumulating Class	€50,000	0.45%	-	B51Q8R4	IE00B51Q8R41	DCGBDEA
EUR Accumulating Class (H)	€50,000	0.45%	-	BLG30W1	IE00BLG30W12	DCGBEAH
EUR Distributing Class	€50,000	0.45%	4.8%	BLG2YF9	IE00BLG2YF94	DCGBDEI
EUR Distributing Class (H)	€50,000	0.45%	4.8%	BLG2YG0	IE00BLG2YG02	DCGBEIH
CHF Distributing Class (H)	CHF50,000	0.45%	4.8%	BN6JJ48	IE00BN6JJ480	DOPGBHC

Performance[7,8]

Total Returns (%)

	Unannualised Returns		Average Annual Total Returns					
	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Global Bond Fund								
USD Accumulating Class	1.53	1.26	4.73	6.61	2.94	4.62	3.55	01/05/14
GBP Distributing Class	1.27	2.91	8.34	5.02	3.78	4.65	5.61	01/05/14
GBP Distributing Class (H)	1.48	1.11	4.39	6.19	2.37	3.66	2.75	01/05/14
EUR Accumulating Class	2.71	4.16	7.97	4.99	3.70	4.31	5.21	01/05/14
EUR Accumulating Class (H)	1.07	0.33	2.59	4.57	0.96	2.49	1.70	01/05/14
EUR Distributing Class	2.73	4.20	8.00	4.98	3.71	4.32	5.21	01/05/14
EUR Distributing Class (H)	1.04	0.35	2.45	4.49	0.91	2.46	1.67	01/05/14
CHF Distributing Class (H)	0.48	-0.78	0.29	1.98	-0.83	-	-0.83	01/07/21
BBG Global Agg (H, in USD)	1.30	1.15	3.17	4.50	0.88	1.92	2.53	01/05/14

Returns represent past performance and do not guarantee future results. Investment return, the value of any income received, costs and share price will fluctuate with market conditions and may be affected by currency fluctuations. Investors may have a gain or loss when shares are sold and may not get back the amount originally invested. Fund performance changes over time and currently may be significantly lower than stated above. Visit the Fund's website at dodgeandcox.com for current month-end performance figures.

Lucy Johns
Director of Fixed Income (24 yrs)

Adam Rubinson
Fixed Income Analyst (24 yrs)

Matt Schefer
Fixed Income Analyst (18 yrs)

Mimi Yang
Fixed Income Analyst (12 yrs)

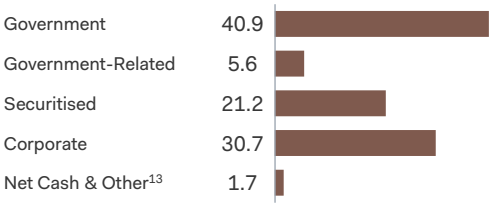
Jose Ursua
Fixed Income Analyst (11 yrs)

Dodge & Cox Worldwide Funds — Global Bond Fund

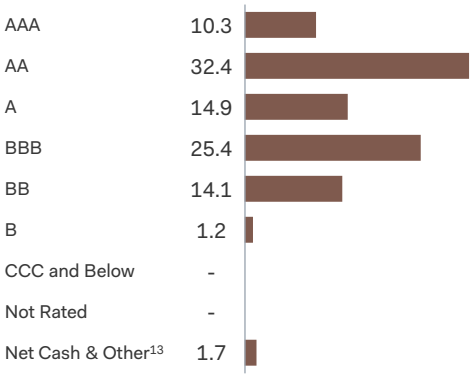
30 June 2026

Portfolio Breakdown (% of Fund)

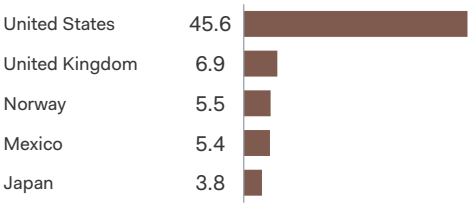
Sectors[12]



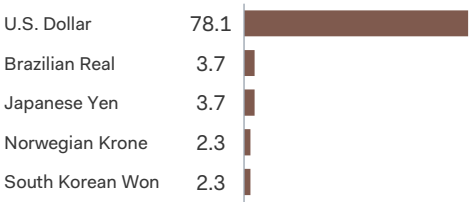
Credit Quality[12,14]



Five Largest Countries[3,12]



Five Largest Currencies (Net)[15]



Ten Largest Issuers (% of Fund)[16]	Fund
Fannie Mae	10.3
Freddie Mac	9.8
U.S. Treasury	6.3
Norway Government	5.5
Brazil Government	3.7
Japan Government	3.7
Mexico Government	3.4
South Korea Government	3.3
Colombia Government	3.2
Peru Government	2.5

Portfolio Characteristics	Fund
Yield to Worst[17]	5.6%
Effective Duration (years)[18]	6.6
Effective Maturity (years)	12.6
Number of Credit Issuers	58
Emerging Markets[3]	26.1%
Non-USD Currency Exposure[15]	21.9%

Risks

The yields and market values of the instruments in which the Fund invests may fluctuate. Accordingly, your investment may be worth more or less than its original cost. Debt securities are subject to interest rate risk, credit risk, and prepayment and call risk, all of which could have adverse effects on the value of the Fund. Investments in certain countries, particularly underdeveloped or developing countries, may be subject to heightened political and economic risks. The Fund's use of derivatives involves risks different from, and possibly greater than, the risks associated with investing directly in securities and other more traditional investments. Please refer to the risk indicator under the applicable key information document for details regarding the Fund's risk profile.

1 Please see the Fund's Sustainable Finance Disclosures Regulation SFDR Disclosure available at dodgeandcox.com.
2 Based on yield to maturity, which is the total rate of return anticipated for a bond if it is held to maturity, assuming all interest payments are made on schedule and the original principal amount is repaid.
3 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.
4 Dodge & Cox has voluntarily agreed to reimburse the Fund for all ordinary expenses to the extent necessary to limit aggregate annual ordinary expenses to 0.45% of the average daily net assets of each share class. Dodge & Cox may terminate or modify this agreement upon 30 days' notice to shareholders.
5 Distribution yield reflects the amounts that may be expected to be distributed over the next 12 months as a percentage of the current share price. The distribution yield is the same as the underlying yield. Investors may be subject to tax on their distributions. Tax treatment depends on individual circumstances and may change.
6 Portfolio Turnover is calculated as the lesser of the portfolio purchases or sales divided by the average portfolio value for the period.
7 The Fund's total returns include dividends and interest income and reflect the deduction of expenses charged to the Fund. Index returns include dividends but, unlike Fund returns, do not reflect fees or expenses.
8 The Fund is actively managed and uses the benchmark index for performance comparison purposes only.
9 The data represents the USD Accumulating Share Class.
10 Standard Deviation measures the volatility of the Fund's returns. Higher Standard Deviation represents higher volatility.
11 Sharpe Ratio is a risk-adjusted measure that calculates excess performance with respect to the risk-free rate per unit of volatility over the time frame.
12 Excludes currency and interest rate derivatives.
13 Net Cash & Other includes cash, short-term investments, unrealised gain (loss) on derivatives, receivables, and payables.
14 The credit quality distribution shown for the Fund is based on the middle of Moody's, S&P, and Fitch ratings, which is the methodology used by Bloomberg in constructing its indices. A rating of AAA is the highest possible credit rating, while a rating in the C's or D's is the lowest. If a security is rated by only two agencies, the lower of the two ratings is used. Please note the Fund applies the highest of Moody's, S&P, and Fitch ratings to determine compliance with the quality requirements stated in its prospectus. On that basis, the Fund held 10.1% in securities rated below investment grade. For consistency purposes, we use the S&P and Fitch rating categories. The credit quality of the investments in the portfolio does not apply to the stability or safety of the Fund or its shares.
15 Currency exposure reflects the value of the portfolio's investments based on the currencies in which they are issued, as well as the impact of any currency derivatives.
16 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.
17 Yield to Worst is a measure of the lowest possible yield that can be received on a bond that fully operates within the terms of its contract without defaulting.
18 Effective Duration is a measure of a portfolio's interest rate sensitivity, including the impact of derivatives used to adjust duration.

Figures represented by a dash are zero or have no associated data while figures represented by a zero may be rounded to zero.
Market values for debt securities include accrued interest.
The Bloomberg Global Aggregate Bond Index is a widely recognised, unmanaged index of multi-currency,investment-grade fixed income securities. Bloomberg calculates a USD hedged return by applying one-month forward rates to seek to eliminate the effect of non-USD exposures.
BLOOMBERG® and the Bloomberg indices listed herein are service marks of Bloomberg Finance L.P. and its affiliates. Bloomberg is not affiliated with Dodge & Cox and has not reviewed or approved any data or information used herein. For more information, visit dodgeandcox.com/disclosures.