A focus on lasting value

Dodge & Cox®
through a disciplined investment approach.
Dodge & Cox provides investment management to institutions and individuals through separately managed portfolios, UCITS funds, and mutual funds.
Integrity
Stability
Independent Ownership
For over eighty years, these attributes have defined our firm. Today, they continue to provide the foundation for our disciplined investment approach, which is guided by time-tested principles: a long-term investment horizon, independent bottom-up research, and portfolio diversification.
"WE BUILD OUR PORTFOLIOS SECURITY BY SECURITY, BASED ON THE FUNDAMENTAL RESEARCH AND ADVOCACY OF OUR INVESTMENT TEAM."
Dana Emery

"FUNDAMENTAL RESEARCH HELPS US UNCOVER LONG-TERM VALUE IN A WORLD INCREASINGLY PREOCCUPIED WITH SHORT-TERM ISSUES."
Charles Pohl

Charles Pohl,
Chairman and Chief Investment Officer

Dana Emery,
Chief Executive Officer,
President, and Director of Fixed Income
In 1930, in the midst of the Great Depression, Van Duyn Dodge and E. Morris Cox formed a partnership to provide investment counsel. Their confidence in this endeavor was fortified by Morrie Cox’s conviction that “well-conceived professional investment management could bring the force of some order into a rather chaotic investment world.”

To that end, they established a blueprint for managing an investment firm emphasizing independent ownership, stability, and the high ethical standards of a true fiduciary. They also developed the investing principles that remain in place at Dodge & Cox today: a long-term investment horizon, individual security selection grounded by the relationship of fundamentals to valuation, and portfolio diversification. With this as a foundation, we manage equity, fixed income, and balanced separate accounts, mutual funds, and UCITS funds for individuals and institutions worldwide from San Francisco and London. Our investment professionals are based in a single office location in San Francisco, two blocks from where the firm began.

The firm’s independence frees us to pursue the singular goal of creating lasting value for our clients. The longevity and stability of our investment team enable us to incorporate
Looking beyond.

**Long-term investment horizon**

*We focus on the key fundamental factors that will determine investment value over a three- to five-year investment horizon.*
BECAUSE WE LOOK BEYOND READILY APPARENT SHORT-TERM INFORMATION, OUR VIEW OFTEN DIFFERS FROM THE CONSENSUS. AS DIFFERENCES EMERGE, WE FIND INVESTMENT OPPORTUNITIES.
the lessons from past market environments into the ongoing stewardship of our clients’ assets. Finally, we believe that the best way to succeed as a firm is to focus our resources on serving our existing clients well.

The philosophy that guides the management of our investment portfolios is built on traditional principles: we invest with a long-term horizon, employ a rigorous price discipline, and conduct our own research. Our decision-making process takes full advantage of individual insights within a team-oriented culture. These factors drive the achievement of the competitive returns we seek for our clients.

**TAKING THE LONG VIEW**

Decades of investing have taught us that the perception of an investment’s worth fluctuates much more widely than its underlying fundamentals. We are skeptical that short-term market trends can be predicted with consistency, so we look...
further out in our analysis, concentrating on the key fundamental factors that will determine investment value over the long term. As our view diverges from the consensus, we find investment opportunities.

We continually focus on the long term by asking ourselves the hypothetical question: based on what we know now, how would we invest an “all-cash” portfolio today assuming we could not trade for the next three to five years? This framework forces us to reevaluate our portfolio holdings within an ever-changing market environment and to reaffirm our rationale for each investment’s long-term value.

From the earliest days, Dodge & Cox’s investment approach has stressed evaluation of risk relative to opportunity. A strict price discipline — steering clear of popular choices that come at a price premium we would rather not pay — is critical to...
INDEPENDENT RESEARCH IS THE FOUNDATION OF OUR INVESTMENT PROCESS.
OUR OWN ANALYSIS ENABLES US TO MORE COMPLETELY UNDERSTAND THE FORCES THAT WILL ULTIMATELY DETERMINE AN INVESTMENT'S SUCCESS. THIS PROVIDES CONFIDENCE TO INVEST IN AREAS THAT OTHERS MAY NOT.
achieving our investment objectives. Low valuation investments, for example, typically reflect low investor expectations that may serve as a buffer against the risk of significant price declines; these low expectations may also create greater potential for capital appreciation should investor pessimism turn out to be unwarranted or short-lived. At all times, our ongoing search for superior relative value is guided by a rigorous research process that seeks to differentiate the short-term concerns that may be temporarily depressing an investment from the intractable, long-term problems that could doom it.

**RELIANCE ON INDEPENDENT RESEARCH**

Independent research is at the heart of each investment, forming a well-grounded thesis that looks out at least three years. Through our own investigation, we can more completely understand the forces that will determine an investment’s success. Because we independently build the case for our ideas, we have the confidence to
invest in out-of-favor areas and the fortitude to hold our ground should short-term sentiment turn against us. In our many decades of experience, we have found that compelling opportunities are often created by an overly pessimistic consensus among other investors.

At Dodge & Cox, everyone on the investment team has a foundation in research and a stake in decision making — from the newest hire to the Chairman. Research is our common language. We utilize multiple resources, including the work of outside research firms. Yet we regularly test consensus conclusions against our own. We have found no quantitative model or research service that can replace the benefits of holding an onsite meeting with a company’s management, conferring directly with its competitors, customers, and suppliers, or taking the time to analyze its financial record from top to bottom.

Most investment professionals begin their careers at Dodge & Cox as analysts. We hire top-caliber graduates who develop their skills with the guidance of senior investment professionals. This sharpens judgment and strengthens the capacity for independent research.
OUR PORTFOLIOS ARE THE PRODUCT OF THE COLLECTIVE JUDGMENT OF THE ENTIRE INVESTMENT TEAM.

TEAM-ORIENTED CULTURE

Collective wisdom.
INVESTMENT TEAMS WORK TOGETHER IN A WELL-TUNED DECISION-MAKING PROCESS THAT ENHANCES INDIVIDUAL INSIGHT.

THIS APPROACH REDUCES A PORTFOLIO’S DEPENDENCE ON ANY SINGLE PERSON.
Since a Dodge & Cox employee typically spends his or her entire career at the firm, our intellectual capital continues to build, providing us with a perspective that deepens our analysis beyond the face value of current data.

**INDIVIDUAL INSIGHTS IN A TEAM PROCESS**

Though we seek investment opportunities worldwide, our investment team is based in a single office in San Francisco. We have found that physical proximity, and the fact that many of our professionals have worked together for at least a decade, facilitates effective communication and decision making. This stability and cohesion is reflected in our Investment Committees, where the members’ average tenure at Dodge & Cox is over 15 years. In these committee meetings, individual analysts advocate their investment ideas. Each recommendation is subjected to intense group scrutiny, for both its merits as a specific investment and its role in the overall portfolio. Debate over each proposed purchase or sale is a respectful if sometimes vigorous exchange among colleagues.

“ATTRACTING AND RETAINING PROFESSIONALS DEEPLY CURIOUS ABOUT THE MARKETS IS CRITICAL TO MAINTAINING OUR VITALITY.”
David Hoeft
When all voices have been heard, the group takes action or reconvenes if further research is warranted. We believe that this well-tuned group decision-making process, honed over decades, enhances individual thinking and reduces dependence on any single person.

Dodge & Cox is in one business: serving its existing clients as a fiduciary of their investment assets. No one at the firm is directly compensated for gathering new assets, nor do we use paid advertisements. Indeed, we take great pride in the substantial growth in our business that has come through referrals from satisfied clients and their advisers. In our communication with clients, we strive to understand their investment objectives, articulate our strategies, and provide clear, realistic expectations. We believe these efforts can lead to a deep, mutual understanding of our role in helping our clients realize their investment objectives.
EFFECTIVE COMMUNICATION WITH OUR CLIENTS ENABLES US TO UNDERSTAND AND HELP ACHIEVE THEIR INVESTMENT OBJECTIVES.
WE TAKE GREAT PRIDE IN THE GROWTH OF OUR BUSINESS THAT HAS COME THROUGH REFERRALS FROM SATISFIED CLIENTS.

WE ARE IN ONE BUSINESS: TO SERVE OUR CLIENTS AS A FIDUCIARY OF THEIR INVESTMENT ASSETS.
Since the 1930s, Dodge & Cox has established a track record based on a disciplined investment approach. That approach continues today as we balance the long-term fundamentals with the current valuation for each investment.

Clients who place their assets in our care benefit from this demonstrated ability to apply enduring investment principles to ever-changing markets.
This brochure should not be considered a solicitation or an offer to purchase shares of any fund advised by Dodge & Cox or a solicitation or an offer by Dodge & Cox and its affiliates to provide any services in any jurisdiction.

Dodge & Cox does not guarantee the future performance of any account or any specific level of performance, the success of any investment decision or strategy that Dodge & Cox may use, or the success of Dodge & Cox’s overall management of an account. Investment decisions made for a client’s account by Dodge & Cox are subject to various market, currency, economic, political, and business risks, and those investment decisions will not always be profitable.

Additional information about Dodge & Cox is available in its Form ADV Part 2A. You can obtain a free copy of Form ADV Part 2A by contacting Dodge & Cox or from the Investment Adviser Public Disclosure website maintained by the U.S. Securities and Exchange Commission.