DODGE & COX FUNDS®

September 30, 2021

Global Bond Fund

TICKER SYMBOL
DODLX

Objectives

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

Strategy

- The Fund invests in bonds and other debt instruments of issuers from at least three different countries, including emerging market countries. The Fund invests in both U.S. dollar-denominated and non-U.S.-currency-denominated debt instruments, including, but not limited to, government and government-related obligations, mortgage- and asset-backed securities, corporate and municipal bonds, and other debt securities.
- The proportions of the Fund's assets held in various debt instruments will be revised in light of Dodge & Cox's appraisal of the global economy, the relative yields of securities in the various market sectors and countries, the potential for a currency's appreciation, the investment prospects for issuers, the countries' domestic and political conditions, and other factors. In selecting securities, Dodge & Cox considers many factors, including, without limitation, yield, structure, covenants, credit quality, liquidity, call risk, duration, and capital appreciation potential.
- The Fund may enter into currency or interest rate-related derivatives, including forwards, futures, swaps, and options.

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. Investing in non-U.S. securities may entail risk due to foreign economic and political developments; this risk may be higher when investing in emerging markets. 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 read the prospectus for specific details regarding the Fund's risk profile.

General Information

Net Asset Value Per Share	$11.91
Total Net Assets (millions)	$1,868.6
Net Expense Ratio[a]	0.45%
Gross Expense Ratio (1/1/21 to 6/30/21, annualized)	0.63%
Portfolio Turnover Rate (1/1/21 to 6/30/21, unannualized)	74%
30-Day SEC Yield (using net expenses)[a][b]	2.55%
30-Day SEC Yield (using gross expenses)	2.40%
Number of Credit Issuers	52
Fund Inception	2014

No sales charges or distribution fees

Investment Manager: Dodge & Cox, San Francisco. Managed by the Global Fixed Income Investment Committee, whose seven members' average tenure at Dodge & Cox is 21 years.

Portfolio Characteristics

	Fund	BBG Global Agg
Effective Duration (years)[c]	**4.2**	7.5
Emerging Markets[d]	**27.0%**	12.9%
Non-USD Currency Exposure[e]	**19.7%**	57.2%

Five Largest Credit Issuers (%)[f]

	Fund
T-Mobile U.S., Inc.	**2.5**
TC Energy Corp.	**2.1**
Charter Communications, Inc.	**2.0**
Prosus NV	**1.9**
Petroleos Mexicanos	**1.9**

Credit Quality (%)[g][h]

	Fund	BBG Global Agg
AAA	**31.7**	37.5
AA	**3.8**	14.9
A	**5.4**	31.8
BBB	**35.8**	15.8
BB	**26.1**	0.0
B	**0.6**	0.0
CCC and below	**0.0**[j]	0.0
Net Cash & Other[i]	**-3.3**	0.0

Asset Allocation

	Fund
Debt Securities	**103.3%**
Net Cash & Other[i]	**-3.3%**

Sector Diversification (%)[h]

	Fund	BBG Global Agg
Government	**27.9**	52.9
Government-Related	**4.7**	15.0
Securitized	**27.7**	13.5
Corporate	**43.0**	18.6
Net Cash & Other[i]	**-3.3**	0.0

Region Diversification (%)[d][h]

	Fund	BBG Global Agg
United States	**56.4**	37.5
Latin America	**16.1**	1.0
Europe (excluding United Kingdom)	**13.7**	23.7
Asia Pacific (excluding Japan)	**7.5**	12.8
United Kingdom	**6.8**	5.1
Canada	**2.1**	3.5
Supranational	**0.5**	2.2
Africa	**0.3**	0.0[j]
Japan	**0.0**	13.5
Middle East	**0.0**	0.8

Market values for debt securities include accrued interest.

(a) Dodge & Cox has contractually agreed to reimburse the Fund for all ordinary expenses to the extent necessary to maintain total annual fund operating expenses at 0.45% through April 30, 2022. The term of the agreement renews annually thereafter unless terminated with 30 days' written notice by either party prior to the end of the term.

(b) 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.

(c) Interest rate derivatives reduce total Fund duration by 1.7 years (i.e., total Fund duration is 5.9 years without derivatives).

(d) The Fund may classify an issuer in a different category than the Bloomberg Global Aggregate Bond Index. The Fund generally classifies a corporate issuer based on the country of incorporation of the parent company, but may designate a different country in certain circumstances.

(e) Non-USD currency exposure for the Fund reflects the value of the portfolio's non-U.S. dollar denominated investments, as well as the impact of currency derivatives.

(f) 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.

(g) The credit quality distributions shown for the Fund and the Index are based on the middle of Moody's, S&P, and Fitch ratings, which is the methodology used by Bloomberg in constructing its indices. 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 comply with the quality requirements stated in its prospectus. On that basis, the Fund held 17.7% in securities rated below investment grade. The credit quality of the investments in the portfolio does not apply to the stability or safety of the Fund or its shares.

(h) Region, sector, and quality weights exclude the effect of the Fund's derivative contracts.

(i) Net Cash & Other includes cash, short-term investments, unrealized gain (loss) on derivatives, receivables, and payables. Assets to cover payables for forward settle TBA mortgage security purchases are invested in short-maturity U.S. Treasuries.

(j) Rounds to 0.0%.

Average Annual Total Return[1]

For periods ended September 30, 2021	1 Year	3 Years	5 Years	Since Inception (December 5, 2012)
Dodge & Cox Global Bond Fund	5.84%	7.56%	5.90%	4.09%
Bloomberg Global Agg Index (USD Hedged)	–0.56	4.64	2.89	3.31
Bloomberg Global Agg Index (USD Unhedged)	–0.91	4.24	1.99	1.52

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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. Fund performance changes over time and currently 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.

The Dodge & Cox Global Bond Fund had a total return of –0.2% for the third quarter of 2021, compared to 0.1% for the Bloomberg Global Aggregate Hedged USD Bond Index (Bloomberg Global Agg Hedged USD) and –0.9% for the Bloomberg Global Aggregate Unhedged Bond Index (Bloomberg Global Agg). For the nine months ended September 30, 2021, the Fund had a total return of –0.2%, compared to –1.4% for the Bloomberg Global Agg Hedged USD and –4.1% for the Bloomberg Global Agg.

Investment Commentary

Despite rising numbers of COVID-19 cases in many countries, the global economic rebound continued in the third quarter, as vaccination rates increased and most governments kept mobility restrictions low. Inflation remained elevated, and interest rates trended higher, leading to weak returns for global bonds. Quarter-over-quarter changes in several market indicators (e.g., U.S. 10-year rates, U.S. dollar exchange rate, oil prices) were small, but political and pandemic-related news drove significant intra-quarter moves. In the United States, political battles over the debt ceiling and infrastructure spending plans also fueled uncertainty. In China, slowing economic growth, a regulatory crackdown across several industries, and a debt crisis at Evergrande, one of the country's largest property developers (which is not held in the Fund), increased investor concerns.

Inflation data and the more promising economic outlook prompted many central banks to start unwinding accommodative monetary policy measures. In the United States, monthly inflation figures continued to overshoot the Federal Reserve's 2% target by a large margin. However, upward price pressures are likely to dissipate over the medium-term as the pandemic recedes and supply chain bottlenecks are eased. In September, the Fed increased its 2021 inflation projection to 3.7% and hinted that it would begin to taper its asset purchase program as early as November and complete the taper by mid-2022. Fed Chair Jerome Powell was quick to delink tapering from the timing of interest rate liftoff, although half of the Federal Open Market Committee's members have indicated they expect the first rate hike in 2022. Looking out over our multi-year investment time horizon, we expect U.S. interest rates to rise moderately. To protect against this likelihood, the Fund maintains a defensive duration[2] position (4.2 years[3]) and holds bonds in non-U.S. markets in which interest rate risks are more attractively priced.

Outside the United States, some central banks have already adopted a more hawkish stance. Norway's Norges Bank was the first major Western central bank to hike rates (25 basis points[4]), as economic activity rose above its pre-pandemic level and the unemployment rate declined. Across emerging markets, there was a wide variation in monetary policy measures, with some countries particularly active. For example, in Brazil, where year-over-year inflation was nearly 10% in August, the central bank continued to aggressively increase the policy rate, bringing it over 6% (versus 2% at the start of the year).

The trade weighted broad U.S. dollar appreciated moderately (2%), supported by expectations for higher U.S. interest rates relative to other major developed markets. Most emerging market currencies depreciated, but the magnitude varied significantly. Some of the weakest currencies were the Brazilian real (down 9% versus the U.S. dollar) and the Peruvian sol (down 7% versus the U.S. dollar), given heightened political and fiscal risks in these countries. We incrementally increased the Fund's non-U.S. dollar exposure from 19% to 20% over the quarter, via additions to Russian and Peruvian bonds. While Russia faces an assortment of geopolitical problems as well as oil price risk, we believe the ruble has unfairly lagged the recovery in oil prices. Furthermore, bond yield levels of around 7% are relatively attractive, and the country's strong fiscal and current account dynamics, along with a prudent central bank, should support the ruble over the long run.

Credit markets did not move significantly, and risk premiums continued to hover near post-financial crisis lows. The economic rebound, combined with low borrowing costs and easy monetary policy, continue to bolster the markets. The Fund's credit holdings comprise 48% of the portfolio, similar to last quarter but down 11 percentage points from a year ago. This reflects our reduced enthusiasm for what we regard as generally high valuation levels, yet ongoing conviction in the long-term potential of the Fund's investments. We made a number of incremental adjustments to the portfolio based on our fundamental, bottom-up approach. For example, we trimmed a number of longer-dated holdings where we believed valuations no longer provided adequate compensation for the risks assumed. We also continued to look for opportunities to optimize our holdings within each issuer's capital structure. During the quarter, we sold the Fund's senior debt holdings of British American Tobacco[5] and purchased a larger position in the company's inaugural hybrid, subordinated bond issue at a meaningfully higher spread. We find British American Tobacco's bonds attractive due to the company's strong free cash flow generation, commitment to balance sheet deleveraging, and discounted valuation relative to other non-cyclical companies.

As we enter the final quarter of 2021, we are hopeful that the economic recovery is continuing but we are cognizant of the challenges facing bond investors. Yields are low and uncertainties are high. However, we firmly believe that our opportunistic approach and long-term investment horizon combined with our focus on fundamental research and our expansive global opportunity set will help us navigate this environment and support our efforts to deliver value to our shareholders. We thank you for your continued confidence in Dodge & Cox.

Third Quarter Performance Review

The Fund returned –0.2% during the quarter.

Key Contributors

- The Fund's high allocation to Corporate credit (41%[6]) added to returns, led by energy-related holdings (e.g., Occidental Petroleum, TC Energy) and T-Mobile.
- The Fund benefited from its exposure to local currency government bonds in Indonesia and Russia.

Key Detractors

- The Fund's holdings of local currency government bonds in several Latin American countries (e.g., Brazil, Mexico, Peru, Colombia) detracted from returns as those currencies depreciated against the U.S. dollar and yields rose.
- The Fund's holdings of certain credits underperformed, including Telecom Italia and Petrobras.

Year-to-Date Performance Review

The Fund returned –0.2% year to date.

Key Contributors

- The Fund's high allocation to Corporate credit (42%[6]) added to returns, led by energy-related holdings (e.g., Occidental Petroleum, Kinder Morgan, TC Energy).
- The Fund's holdings of certain government-related credit performed well, including State of Illinois and Pemex.

Key Detractors

- The Fund's exposure to interest rates in the United States and several emerging market countries (e.g., Mexico, Brazil, Colombia, Peru) detracted from returns as long-term government bond yields rose.
- The Fund's exposure to a number of emerging market currencies including the Colombian peso, Polish zloty, and Peruvian sol detracted from returns.

1 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 interest income but, unlike Fund returns, do not reflect fees or expenses. The Bloomberg Global Aggregate Bond Index is a widely recognized, unmanaged index of multi-currency, investment-grade debt securities. All returns are stated in U.S. dollars, unless otherwise noted. A private fund managed and funded by Dodge & Cox (the "Private Fund") was reorganized into the Fund and the Fund commenced operations on May 1, 2014. The Private Fund commenced operations on December 5, 2012, and had an investment objective, policies, and strategies that were, in all material respects, the same as those of the Fund, and was managed in a manner that, in all material respects, complied with the investment guidelines and restrictions of the Fund. However, the Private Fund was not registered as an investment company under the Investment Company Act of 1940 (the "1940 Act"), and therefore was not subject to certain investment limitations, diversification requirements, liquidity requirements, and other restrictions imposed by the 1940 Act and the Internal Revenue Code, which, if applicable, may have adversely affected its performance. Expense reimbursements have been in effect for the Fund since its inception. Without the expense reimbursements, returns for the Fund would have been lower. Effective January 15, 2021, the benchmark was changed from the USD unhedged to the USD hedged version of the Bloomberg Global Aggregate Bond Index.

2 Duration is a measure of a bond's (or a bond portfolio's) price sensitivity to changes in interest rates.

3 Unless otherwise specified, all weightings and characteristics are as of September 30, 2021.

4 One basis point is equal to 1/100th of 1%.

5 The use of specific examples does not imply that they are more or less attractive investments than the Fund's other holdings.

6 Figures in this section denote Fund positioning at the beginning of the period.