Dodge & Cox Funds®

Stock Fund

To Our Shareholders

The Dodge & Cox Stock Fund had a total return of –15.0% for the six months ended June 30, 2020, compared to a return of –3.1% for the S&P 500 Index.

Market Commentary

During the first half of 2020, the spread of the coronavirus (COVID-19) evolved into a global pandemic that disrupted major economies, increased financial market volatility, and abruptly ended the longest bull run in U.S. stock market history. Volatility spiked in the first quarter, and every sector of the S&P 500 declined. On March 16th, the U.S. stock market experienced its steepest one-day decline since the October 1987 stock market crash. While lower short-term interest rates and the massive U.S. government stimulus package provided some relief to businesses and households, the U.S. economy slipped into a recession.

In the second quarter, however, the U.S. equity market recovered from its March lows: the S&P 500 appreciated 20.5% and every sector posted positive returns. The U.S. government's fiscal and monetary stimulus, optimism regarding potential health care solutions, and some recovery in corporate earnings have all helped bolster investor confidence. Value stocks[a] continued their longer-term trend of lagging the overall market, with the Russell 1000 Value Index up 14.3%. In fact, over the last decade U.S. growth stocks have outperformed value stocks by an astounding cumulative 221 percentage points.[b] During this challenging period for value investors, the Fund has underperformed the broad-based S&P 500, but outperformed the Russell 1000 Value by 33 percentage points.[c] The valuation differential between value- and growth-oriented stocks has widened, and we believe there are ample opportunities for value-oriented investors like Dodge & Cox.

Amid the fall and rise of the market during the first six months of 2020, almost 70% of the S&P 500 is now comprised of businesses largely immune to the economic impact of the pandemic (we describe them as "COVID defensives").[d] The vast majority of these companies are in the Information Technology, Consumer Staples, Utilities, and Health Care sectors. The other 30% of the S&P 500, which has been hit hard by the economic consequences of the pandemic (we call them "COVID cyclicals"), are mostly in the Financials, Energy, Industrials, Materials, Consumer Discretionary (ex-internet retail), and Real Estate sectors.

COVID defensives have substantially outperformed the COVID cyclicals. In the first half of 2020, Information Technology was the best-performing sector of the S&P 500, and Energy and Financials were the worst. This helps explain the resilience of the S&P 500 during a period of economic disruption. In contrast, COVID defensives account for approximately half of the Russell 1000 Value and only 37% of the Fund's net assets.

Investment Strategy

As markets melted down during the first quarter of the year, our global industry and fixed income analysts worked closely together to stress test the Funds' holdings, especially COVID-cyclical stocks in the Energy and Financials sectors. Such collaboration is a hallmark of our investment process and is especially important during periods of market stress, as it was during the 2008-09 global financial crisis and the last oil price downturn in 2015-16.

In Energy, for example, our team has analyzed each holding's sources and uses of cash across a variety of oil price scenarios. We have focused on sources of liquidity, including further reductions in capital expenditures, dividend cuts, asset sales, and debt and equity issuance. We continue to have frequent discussions with management teams at many energy companies, as well as independent board members, service providers, and industry experts in order to gauge current operating conditions and downside risks.

We believe the Fund's energy holdings have sufficient capital and liquidity to survive the current headwinds over our long-term investment horizon, although some holdings may face larger challenges than others. Current energy valuations—trading at 90-year lows—are depressed and provide an attractive starting point. We continue to find compelling long-term opportunities in selected upstream and oilfield services companies with solid assets, management teams that have deployed capital prudently through the cycle, and low-to-reasonable valuations. As a result, our U.S. Equity Investment Committee selectively added to the Fund's energy holdings during the depths of the downturn in the first quarter and has maintained an overweight position in Energy: 9.3% of the Fund versus 2.8% of the S&P 500.

As a Value-Oriented Manager, We Are Finding Attractive Opportunities

In these volatile markets, our global industry analysts have been diligently reevaluating existing holdings and looking for new opportunities. We continue to have frequent discussions with management teams and industry experts to assess current operating conditions and evaluate downside risks. These discussions and our team's analyses contributed to the U.S. Equity Investment Committee's decisions to shift the portfolio based on COVID-impacted fundamentals and changed valuations.

During the first half of 2020, we trimmed and sold positions in higher valuation areas of the portfolio that had performed strongly through the turmoil; these were mostly COVID-defensive stocks. Major trims included Roche, Bristol-Myers, and Sanofi in Health Care, and Charter

a Value stocks are the lower valuation portion of the equity market, and growth stocks are the higher valuation portion.
b The Russell 1000 Growth Index had a total return of 390.3% from June 30, 2010 through June 30, 2020 compared to 169.1% for the Russell 1000 Value Index.
c The Dodge & Cox Stock Fund had a total return of 202.5% from June 30, 2010 through June 30, 2020 compared to 169.1% for the Russell 1000 Value Index.
d Unless otherwise specified, all weightings and characteristics are as of June 30, 2020.

Communications and Microsoft in Technology, Media, and Telecommunication (TMT).[e] We redeployed those funds into COVID-cyclical companies whose stock prices have declined substantially in the crisis, particularly in the Financials and Energy sectors, as well as inexpensive companies within TMT. We recently added significantly to State Street and MetLife in Financials, Occidental Petroleum in Energy, and HP Inc. and Dell in Information Technology.

We also started seven new positions in the Fund. These can be divided into two principal groups: 1) high-quality businesses with valuations we had previously deemed to be too high, and 2) COVID-cyclical companies with stock prices that have declined sharply due to the pandemic.

In the first category, we established positions in Facebook and Medtronic. We invest in companies based on our assessment of the value of their franchise and our estimate of the potential growth in future earnings and cash flow. When valuations come down and we are able to buy above-average growth at a discount, we see opportunity. Facebook (a social media conglomerate) has significant growth opportunities and a durable franchise that would be extremely difficult to replicate. The company has compounded revenue growth at more than 40% over the past five years, while still generating significant amounts of free cash flow. However, fears about advertising spending, political controversy, and possible regulatory changes caused its stock to trade at a below-market valuation. We concluded that this was an opportune time to initiate a position in the stock. Similarly, Medtronic is a leading medical device company with opportunities for innovation-led growth. However, concerns about the deferral of elective medical procedures provided a valuation opportunity in the first quarter.

In the COVID-cyclical category, we recently started positions in Lincoln National, LyondellBasell, and Williams Companies (highlighted below), among others. Lincoln National is a well-managed, well-capitalized life insurance company, and LyondellBasell is a commodity chemical producer with a strong balance sheet. Their share prices plummeted 71% and 63%, respectively, from the beginning of the year through their March lows. While both stocks have since rebounded significantly, we believe they remain attractive long-term opportunities.

Williams Companies

Williams—a leading U.S. midstream energy company—has a diversified portfolio of assets and operates large best-in-class natural gas pipelines, handling approximately 30% of all U.S. natural gas volumes. Demand for natural gas and oil has faced significant macroeconomic and structural headwinds. Following the recent global commodity slump, oversupply has led to substantial oil and natural gas price declines, which has weakened the financial profiles of Williams' producer customers. One of Williams' key customers (Chesapeake Energy) declared bankruptcy in June. This was a well-known risk that we had already incorporated into our risk-reward profile for the company, and we believe it is reflected in its current valuation of only six times cash flow.

Partnering with our fixed income credit analysts, our equity analysts assessed the durability of Williams' core pipeline business, the likelihood of producer shut ins, and the degrees of protection in Williams' long-term contracts with its clients. We have also conducted extensive due diligence through conversations with Williams' management team, key customers, midstream peers/competitors, industry experts, and rating agencies.

Going forward, we believe the company has considerable sources of downside risk mitigation: high quality assets, a disciplined, shareholder-oriented management and board, a healthy liquidity position with an improving balance sheet, and solid cash flow to support its dividend payments. Williams' well-positioned pipeline network should also benefit in a stabilization/recovery scenario where natural gas demand normalizes. We believe Williams is an attractive investment opportunity over our three- to five-year investment horizon.

In Closing

While the portfolio remains tilted toward Financials, Health Care, and Energy, the Fund remains broadly diversified with exposure to many different investment themes. We have strong conviction in our value-oriented, active investment approach, and we continue to believe this is an opportune time to invest in value stocks. We remain optimistic about the long-term outlook for the Fund, which trades at a significant discount to the overall market: 13.4 times forward earnings compared to 24.2 times for the S&P 500.

Market movements and valuation changes can occur swiftly and without warning, as evidenced by the strong rebound in Energy and Materials over the past quarter. These were two of the hardest hit areas of the market in the first quarter of 2020, and then they went on to be among the top performers in the second quarter. We have found that patience and persistence are essential to long-term investment success. We encourage our shareholders to take a similar view.

Our thoughts are with all the individuals and the families of those who have suffered from COVID-19, and we also express our gratitude to the dedicated health care workers and first responders battling on the front lines of this pandemic. We wish everyone the best during these challenging times.

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

For the Board of Trustees,

Charles F. Pohl,
Chairman

Dana M. Emery,
President

July 31, 2020

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

DODGE & COX FUNDS®

Stock Fund

June 30, 2020

TICKER SYMBOL
DODGX

Objectives

- The Fund seeks long-term growth of principal and income. A secondary objective is to achieve a reasonable current income.

Strategy

- The Fund invests primarily in a diversified portfolio of equity securities. In selecting investments, the Fund typically invests in companies that, in Dodge & Cox's opinion, appear to be temporarily undervalued by the stock market but have a favorable outlook for long-term growth. The Fund focuses on the underlying financial condition and prospects of individual companies, including future earnings, cash flow, and dividends. Various other factors, including financial strength, economic condition, competitive advantage, quality of the business franchise, and the reputation, experience, and competence of a company's management are weighed against valuation in selecting individual securities.

Risks

- The Fund is subject to market risk, meaning holdings in the Fund may decline in value for extended periods due to the financial prospects of individual companies or due to general market and economic conditions. Please read the prospectus for specific details regarding the Fund's risk profile.

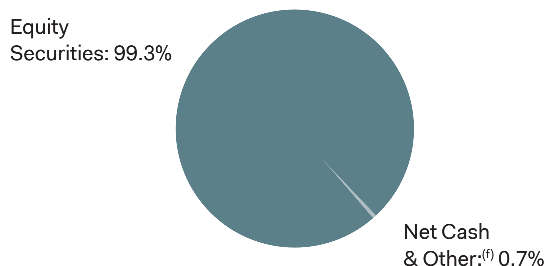
General Information

Net Asset Value Per Share	$160.7
Total Net Assets (billions)	$59.9
Expense Ratio	0.52%
Portfolio Turnover Rate (1/1/20 to 6/30/20, unannualized)	14%
30-Day SEC Yield[a]	2.27%
Active Share[b]	83%
Number of Companies	69
Fund Inception	1965

No sales charges or distribution fees

Investment Manager: Dodge & Cox, San Francisco. Managed by the U.S. Equity Investment Committee, whose eight members' average tenure at Dodge & Cox is 23 years.

Asset Allocation



Portfolio Characteristics

	Fund	S&P 500
Median Market Capitalization (billions)	**$27**	$22
Weighted Average Market Capitalization (billions)	**$166**	$389
Price-to-Earnings Ratio[c]	**13.4x**	24.2x
Foreign Securities not in the S&P 500[d]	**8.0%**	0.0%

Ten Largest Equity Holdings (%)[e]

	Fund
Alphabet, Inc.	**3.8**
FedEx Corp.	**3.7**
Microsoft Corp.	**3.5**
Charles Schwab Corp.	**3.3**
Bank of America Corp.	**3.3**
HP Inc.	**3.2**
Comcast Corp.	**3.0**
Capital One Financial Corp.	**3.0**
Cigna Corp.	**2.7**
Wells Fargo & Co.	**2.7**

Sector Diversification (%)

	Fund	S&P 500
Financials	**25.5**	10.1
Information Technology	**19.8**	27.5
Health Care	**17.7**	14.6
Communication Services	**13.1**	10.8
Energy	**9.3**	2.8
Industrials	**8.7**	8.0
Consumer Discretionary	**2.9**	10.8
Materials	**1.3**	2.5
Consumer Staples	**0.9**	7.0
Utilities	**0.0**	3.1
Real Estate	**0.0**	2.8

[a] 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.
[b] Active share is a measure of how much an investment portfolio differs from its 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.
[c] Price-to-earnings (P/E) 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.
[d] Foreign securities are U.S. dollar denominated.
[e] 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.
[f] Net Cash & Other includes cash, short-term investments, derivatives, receivables, and payables.

Average Annual Total Return[1]

For periods ended June 30, 2020	1 Year	3 Years	5 Years	10 Years	20 Years
Dodge & Cox Stock Fund	–6.18%	3.00%	5.92%	11.71%	8.30%
S&P 500 Index	7.51	10.73	10.73	13.99	5.91

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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 Stock Fund had a total return of 20.0% for the second quarter of 2020, compared to 20.5% for the S&P 500 Index. For the six months ended June 30, 2020, the Fund had a total return of –15.0%, compared to –3.1% for the S&P 500.

Investment Commentary

During the first half of 2020, the spread of the coronavirus (COVID-19) evolved into a global pandemic that disrupted major economies, increased financial market volatility, and abruptly ended the longest stock market bull run in U.S. history. The U.S. equity market performed strongly in the second quarter recovering off March lows, despite the continuing public health crisis and current economic downturn. Every sector of the S&P 500 posted positive returns.

With the economy performing so poorly, why has the stock market recovered so dramatically? The U.S. government's massive fiscal and monetary stimulus programs, coupled with optimism regarding anticipated health care solutions and some corporate earnings recovery, have bolstered investor confidence. Not insignificantly, almost 70% of the S&P 500 is comprised of businesses that are largely immune to the economic impact of the pandemic (we think of them as "COVID defensive"); the vast majority of these companies are in the Information Technology, Consumer Staples, Utilities, and Health Care sectors. The other 30% of the S&P 500 has been hit hard by the economic consequences of the pandemic ("COVID cyclical"), mostly in the Financials, Energy, Industrials, Materials, Consumer Discretionary (ex-internet retail), and Real Estate sectors. Market movements and valuation changes can happen swiftly and without warning, as evidenced by the strong rebound in Energy and Materials, two of the hardest hit areas of the market in the first quarter. These sectors were among the top performers in the second quarter, beating the S&P 500's return.

Over the last decade, U.S. growth stocks have outperformed value stocks[2] by an astounding cumulative 221 percentage points.[3] During this challenging period for value investors, the Fund has underperformed the broad-based S&P 500, but outperformed the U.S. value investment universe by 33 percentage points.[4] The valuation differential between value- and growth-oriented stocks has created ample opportunities for value-oriented investors like Dodge & Cox.

Our investment team has been highly productive in these volatile markets, reviewing existing portfolio holdings and recommending new investments. This analysis has helped the U.S. Equity Investment Committee shift the portfolio based on COVID-impacted fundamentals and valuations. During the second quarter, we trimmed higher valuation areas of the portfolio that had performed strongly, such as Pharmaceuticals and more expensive technology-related companies, and leaned further into value portions of the market such as Financials, Energy, Materials, Industrials, and low-valuation technology companies. We recently added to existing holdings such as American Express, Carrier, Celanese, Hewlett Packard Enterprise, HP Inc., MetLife, VMware, and Wells Fargo.[5] We also started four new positions in the Fund, including LyondellBasell (one of the world's largest commodity chemical companies) and Williams Companies (a nationwide energy processing and transporting company with approximately 30% of all U.S. natural gas volumes).

While the portfolio remains tilted toward Financials (25.5%[6] of the portfolio versus 10.1% of the S&P 500), Health Care (17.7% versus 14.6%), and Energy (9.3% versus 2.8%), the Fund remains diversified and has exposure to various investment drivers. We have strong conviction in our value-oriented, active investment approach and continue to believe now is an opportune time to be invested in value stocks.

We remain optimistic about the long-term outlook for the Fund, which trades at a significant discount to the overall market: 13.4 times forward earnings compared to 24.2 times for the S&P 500. Patience, persistence, and a long-term investment horizon are essential to long-term investment success. We encourage our shareholders to take a similar view. Thank you for your continued confidence in Dodge & Cox.

Our thoughts are with all the individuals and families of those who have suffered from COVID-19 and also with the dedicated health care workers and first responders battling on the front lines. We wish everyone all the best during these challenging times.

Second Quarter Performance Review

The Fund underperformed the S&P 500 by 0.5 percentage points during the quarter.

Key Detractors from Relative Results

- Strong performance by a few large technology and internet related companies not held in the Fund hurt relative results. The impact was substantial in Information Technology and Consumer Discretionary (two of the strongest S&P 500 sectors), where the Fund was underweight throughout the period.
- The Fund's holdings within Information Technology lagged (up 25% versus up 31%), especially HP Inc. and Hewlett Packard Enterprise.
- A higher average weighting in Financials (26% versus 11%) hurt performance since the sector continued to lag the market. Wells Fargo and Charles Schwab were key detractors.
- In the Consumer Discretionary sector, the Fund's average underweight position (3% versus 10%) hurt relative results.
- In Health Care, the Fund's lower returns (up 12% versus up 14%) and higher average weighting (20% versus 15%) had a negative impact. Cigna and Novartis were weak.
- Molson Coors and FedEx also detracted.

Key Contributors to Relative Results

- The Fund's higher average weighting (9% versus 3%) and strong performance in the Energy sector (up 54% versus up 31%) contributed. Occidental Petroleum, Apache, Baker Hughes, and Halliburton appreciated substantially.
- The Fund's underweight position in Consumer Staples and Utilities helped results since these were the weakest areas of the Index (up 8% and up 3% respectively for the S&P 500).
- Microchip Technology and DISH Network were also strong contributors.

Year-to-Date Performance Review

The Fund underperformed the S&P 500 by 11.9 percentage points year to date.

Key Detractors from Relative Results

- Strong performance by a few large technology and internet related companies not held in the Fund hurt relative returns, especially in the Information Technology (down 3% versus up 15%) and Consumer Discretionary (down 19% versus up 7%) sectors.
- Within Information Technology, Hewlett Packard Enterprise lagged. The Fund's underweight position in the sector (averaging 18% versus 25%) also had a negative impact.
- In Financials, the Fund's average overweight position (26% versus 11%) and lower returns (down 31% versus down 24%) detracted. Wells Fargo, Capital One Financial, and Charles Schwab were the biggest detractors.
- Energy was the weakest sector of the Fund and the Index (down 47% versus down 35%). The Fund's higher average weighting (9% versus 3%) and weaker returns from holdings hurt results. Occidental Petroleum, Apache, and Schlumberger performed poorly.

Key Contributors to Relative Results

- The Fund's average overweight position (21% versus 15%) and better returns in the Health Care sector (up 1% versus down 1%) aided results. Roche, AstraZeneca, and Alnylam Pharmaceuticals were particularly strong.
- The Fund's lack of holdings in the Utilities and Real Estate sectors contributed since these segments of the Index lagged (down 11% and down 9%, respectively).
- Sprint was exceptionally strong as its merger with T-Mobile US was approved.
- Microchip Technology, Dell Technologies, and Charter Communications also contributed.

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 dividends but, unlike Fund returns, do not reflect fees or expenses. 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.

2 Value stocks are the lower valuation portion of the equity market, and growth stocks are the higher valuation portion.

3 The Russell 1000 Growth Index had a total return of 390.3% from June 30, 2010 through June 30, 2020 compared to 169.1% for the Russell 1000 Value Index.

4 The Dodge & Cox Stock Fund had a total return of 202.5% from June 30, 2010 through June 30, 2020 compared to 169.1% for the Russell 1000 Value Index.

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

6 Unless otherwise specified, all weightings and characteristics are as of June 30, 2020.

S&P 500® is a trademark of S&P Global Inc. Russell 1000 is a trademark of the London Stock Exchange Group plc. 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.