What Makes Dodge & Cox Distinctive?

Dodge & Cox is a unique firm within the investment management business. Since 1930, we have employed a consistent, disciplined approach to managing both investment portfolios and our firm. The distinguishing characteristics of our firm have driven our long-term investment performance (shown in the appendix). These include our independence, focused business model, consistent investment approach and stable team, low fees and turnover, avoidance of active marketing, and the commitment we have to our funds.

Independently Owned Firm

Dodge & Cox has been independently owned for over 85 years, through four generations of leadership. This is the foundation of what makes us distinctive. The firm is structured and managed so that we succeed only by delivering solid long-term performance to investors. And, since the firm is owned entirely by active employees, our interests are closely aligned with those of our Funds' shareholders. In addition, all Dodge & Cox Funds portfolio managers have substantial investments in the Funds, and virtually all employees invest in the Funds through the firm's retirement plan. We are incentivized to focus on managing investment portfolios, keeping our costs low, and delivering strong performance for our Fund shareholders.

Focused Business Model

As an organization, we have a tremendous level of focus, which helps us manage not only the portfolios, but also Dodge & Cox as a business. Dodge & Cox currently offers six mutual funds, including the Global Bond Fund, that was launched on May 1, 2014.

Our analyst team covers industries on a global basis and makes recommendations for all of our Funds. Why is this structure important? It allows us a degree of integration and focus that cannot be achieved by similarly sized competitors. Furthermore, it is economical and helps us to keep fees down. Since our analysts research companies and other issuers globally and look across the entire capital structure, they have a broader view of the risk and reward of various investment opportunities. The portfolio strategies across the Dodge & Cox Funds reflect a single investment philosophy and our collective view of the world.

Consistent Investment Approach and Stable Team

We adhere to a consistent investment approach that combines in-depth, bottom-up, fundamental research, a strict price discipline, and a long-term investment horizon. As all investment recommendations are rigorously debated by our seasoned investment professionals, the Dodge & Cox Funds benefit from the combined judgment of our team. We have practiced this team-based approach for more than 85 years and apply it to each portfolio.

Critical to our investment process is the long-tenure of our staff—we have among the lowest investment professional turnover in the business. Most of our investment professionals spend their entire careers at Dodge & Cox. We believe that the experience and stability of our investment team enable us to build and retain deep institutional knowledge of individual companies and an understanding of various markets. To promote collaboration, our investment professionals are based in one office in San Francisco. The global industry analyst and fixed income investment teams are tightly integrated and work together for the long-term benefit of our clients.

Dodge & Cox's organizational structure (owned entirely by active employees) is key to attracting and retaining the talented and dedicated people that we want to recruit. Our ownership and compensation structure is designed to reward each employee's long-term contributions to both our investment strategies and the firm, and promotes organizational stability, which is important to the long-term success of our Funds.

Low Expenses & Portfolio Turnover

The Dodge & Cox Funds have some of the lowest average expense ratios in the investment management industry, even when we compare our Funds to other managers' lowest cost share classes. Low expense ratios benefit our shareholders. While the expense differences may appear small, these savings compound and become quite meaningful over the long term.

In addition, the Funds have historically experienced low portfolio turnover because we take a long-term investment view and make high-conviction investments. Low turnover (or the percentage of a fund's invested assets that are traded each year) leads to lower trading costs. As with expenses, trading costs are a headwind to shareholder returns. By maintaining these costs at a relatively low level, we increase our shareholders' opportunity to achieve attractive long-term returns.

No Marketing Campaigns

Another important distinguishing characteristic of our firm is that we rely primarily on word of mouth to sell our Funds—you have never seen an advertising campaign for Dodge & Cox. We neither pay for distribution nor pay brokers to sell our funds. These are significant expenses that other firms incur, and we do not have. Our approach has multiple benefits:

- Our costs are lower and we are able to pass that through to our clients in terms of lower fees.
- We succeed only by delivering superior long-term performance and satisfying clients, the investment consultant community, and industry observers.
- As a value manager, we often find ourselves facing the greatest opportunities in times of market stress. Our lack of a marketing or sales organization means we are less likely to be influenced by emotional reactions to market turmoil, enabling us to do the right thing for our investors at these critical junctures.

Commitment to Our Funds

Since the firm's inception, we have never discontinued a mutual fund or merged a poorly performing fund into one with a better track record. Both are ways to get rid of unsuccessful funds with poor track records. While we have had periods of underperformance and likely will again, we believe our thoughtful and focused approach will serve the Dodge & Cox Funds well over the long term.

In closing, the Dodge & Cox Funds reflect our unique business model, investment approach, and culture. We offer investors access to our expertise through six mutual funds: Stock, International Stock, Global Stock, Income, Balanced, and our newly launched Global Bond Fund (our first new fund since 2008).

To learn more about Dodge & Cox, click **here**.

December 31, 2018

Appendix

	Average Annual Total Returns for Periods Ended December 31, 2018				
	1 Year	3 Years	5 Years	10 Years	20 Years
Stock Fund	-7.08%	10.07%	7.05%	13.17%	8.87%
S&P 500 Index	-4.38%	9.26%	8.49%	13.12%	5.62%
Russell 1000 Value Index	-8.27%	6.95%	5.95%	11.18%	6.16%
Global Stock Fund	-12.65%	7.52%	4.10%	11.45%	N.A.[(a)]
MSCI World Index	-8.71%	6.30%	4.56%	9.67%	N.A.[(a)]
MSCI ACWI Index	-9.42%	6.60%	4.26%	9.46%	N.A.[(a)]
International Stock Fund	-17.98%	3.25%	-0.48%	7.72%	N.A.[(b)]
MSCI EAFE Index	-13.79%	2.87%	0.53%	6.32%	N.A.[(b)]
MSCI ACWI ex USA Index	-14.20%	4.48%	0.68%	6.57%	N.A.[(b)]
Balanced Fund	-4.61%	7.77%	5.77%	11.04%	7.86%
Combined Index	-2.35%	6.51%	6.25%	9.43%	5.49%
Income Fund	-0.31%	3.19%	2.87%	5.01%	5.08%
Bloomberg Barclays U.S. Aggregate Bond Index	0.01%	2.06%	2.52%	3.48%	4.55%
Global Bond Fund[(c)]	-1.45%	5.06%	2.03%	N.A.[(d)]	N.A.
Bloomberg Barclays Global Aggregate Bond Index	-1.20%	2.70%	1.08%	N.A.[(d)]	N.A.

(a) Since Global Stock Fund's inception on May 1, 2008 through December 31, 2018: 4.45% vs. 4.25% MSCI World Index vs. 3.81% MSCI ACWI Index. (b) Since International Stock Fund's inception on May 1, 2001 through December 31, 2018: 6.40% vs. 3.96% MSCI EAFE Index vs. 4.63% MSCI ACWI ex USA. (c) A private fund managed by Dodge & Cox with proprietary assets was reorganized into the Dodge & Cox Global Bond Fund on April 30, 2014. Any Fund portfolio characteristics, performance, or attribution information for periods prior to May 1, 2014, are those of the private fund. (d) Since Global Bond Fund's inception on December 5, 2012 through December 31, 2018: 2.13% compared to 0.33% for the Bloomberg Barclays Global Aggregate Bond Index.

The Combined Index reflects an unmanaged portfolio (rebalanced monthly) of 60% of the S&P 500 Index, which is market capitalization-weighted index of 500 large-capitalization stocks commonly used to represent the U.S. equity market, and 40% of the Bloomberg Barclays U.S. Aggregate Bond Index (BBG Barclays U.S. Agg), which is a widely recognized, unmanaged index of U.S. dollar-denominated, investment-grade, taxable fixed income securities. 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 and/or interest income but, unlike Fund returns, do not reflect fees or expenses. 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. 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, or for current month-end performance figures, visit dodgeandcox.com or call 800-621-3979. Please read the prospectus and summary prospectus carefully before investing