



2021

## Semi-Annual Report

June 30, 2021

# Emerging Markets Stock Fund

ESTABLISHED 2021

TICKER: DODEX

## Welcome to the Dodge & Cox Emerging Markets Stock Fund

On May 11, 2021, we launched the Dodge & Cox Emerging Markets Stock Fund, the seventh mutual fund in our firm's 91-year history. At Dodge & Cox, we only launch new funds when we see compelling investment opportunities and believe we have the ability to generate attractive returns for our shareholders.

Emerging markets are growing rapidly and account for nearly 80% of global economic growth, roughly double their share from two decades ago. Once dependent on trade with the developed world, many emerging market countries have burgeoning middle class populations and rapidly expanding domestic markets. Collectively, emerging markets comprise more than 80% of the world's population, with China and India alone representing a third. The emerging markets labor force is young and growing. Moreover, the political and social dynamics of many emerging market countries continue to mature, and their financial markets are increasingly characterized by more sophisticated and transparent operations and regulations. Total equity market capitalization in the emerging markets stands at \$38 trillion<sup>a</sup>, representing 31% of global market capitalization. In short, much of the world's future economic growth will likely come from Asia, Latin America, Central Europe, the Middle East, and Africa.

We have watched this process unfold for a number of years, and several of the Dodge & Cox Funds have regularly invested in select emerging market companies. Over the past several decades, we have expanded the scope of our research coverage and analytical skill set in response to the growing global universe of investment opportunities. In the late 1980s, we began to broaden and deepen our knowledge of a growing roster of individual companies across many countries, carefully assessing their competitive dynamics and return prospects. We also added expertise in quantitative, macroeconomic, and currency analysis to help us navigate emerging markets investing. As our investment horizons widened, we globalized every aspect of our investment capabilities, from research and trading to operations. As a result, we have expanded significantly the range of opportunities available to our clients through the International Stock Fund (launched in 2001), Global Stock Fund (launched in 2008), Global Bond Fund (launched in 2014), and this newly launched Emerging Markets Stock Fund.

After many years of tracking global economic and financial progress, we launched an internal emerging markets equity portfolio in 2019, funded solely with Dodge & Cox's own assets. We created this portfolio to test the effectiveness of bringing our investment philosophy to bear on this rapidly expanding segment of the global equities marketplace. We also sought to develop the systems and processes needed to implement an emerging markets strategy and master the daily management and operational aspects associated with investing in dozens of new markets. This work affirmed our belief that emerging markets offer some of the world's most compelling equity investment opportunities, and that we are well suited to pursue them.

We believe the Fund will benefit from the central attributes of our approach to investing: our investment independence, unique team structure, disciplined analysis of the relationship of fundamentals to valuation, and long-term orientation. Our focus on individual

companies around the globe and across the entire market cap spectrum significantly differentiates our emerging markets strategy.

### Emerging Markets Offer Compelling Opportunities

Over the past 20 years, emerging markets have experienced strong economic growth. The substantial increase in the number of successful businesses in these markets has created an abundance of attractive investment opportunities. The growth of these companies is closely intertwined with their home countries' pursuit of market economics and technological innovation, as well as advancements in education and political stability.

China is at the forefront of the emerging market universe, and we have a long history of successfully investing in some of China's largest companies through the Dodge & Cox International Stock Fund and the Global Stock Fund. China accounts for 37.5% of the value of the MSCI Emerging Markets Index, or over half of the number of companies represented in the Index. Many economists predict that over the next two decades, China will emerge as the largest economy in the world. Recognizing China's economic importance, we have augmented our global research team with Global Industry Analysts and Research Associates who are Chinese nationals, bringing important language skills and cultural understanding to our firm. We are also establishing a research office in Shanghai to capitalize on these opportunities and further deepen our China expertise. Having a local presence should provide even more direct access to company management teams, and enable us to foster relationships with Chinese regulators.

However, emerging market opportunities extend far beyond just China. Dozens of countries are posting dramatic records of economic achievement, propelled by hundreds of dynamic companies. Numerous emerging market companies stand to see their businesses flourish because of both rising standards of living in their domestic markets and burgeoning demand from developed nations for their products and services. The Fund has exposure to various growth drivers, including increased dairy consumption in Vietnam, growing consumer disposable income in India, real estate development in the Philippines, telecommunication services in Latin America, natural resource companies in Russia, and the whole supply chain for the technology and digital world that underpins our lives—from large companies like Taiwan Semiconductor Manufacturing and Samsung Electronics, all the way to smaller companies like Yageo, which manufactures and distributes electronic resistors, capacitors, and related components.<sup>b</sup> The Fund has a diversified portfolio, currently holding nearly 200 companies across 36 countries, and we continue to search for new opportunities.

Furthermore, many emerging markets companies are not household names in the United States. While dozens of Wall Street analysts follow every Fortune 500 company, few analysts cover more than the largest of these emerging market companies. We think this creates a compelling opportunity for an active investment firm like Dodge & Cox—intensively focused on fundamental analysis—to find undervalued companies and generate substantial returns.

As the COVID-19 pandemic has shown, progress in emerging markets will likely not be linear, and we will have to navigate political and economic volatility. We believe our focus on individual companies and our time horizon will allow us to take advantage of both the anticipated near term recovery and those companies' long-term potential.

### The Fund Has Access to a Broad Investment Universe Across the Market Cap Spectrum

The Emerging Markets Stock Fund invests selectively in a diversified portfolio of companies across a variety of countries, industries, and market capitalizations—in both emerging and frontier markets (i.e., markets at an even earlier stage of development than those included in the Index). The Fund may also invest in companies that are based in developed markets but have significant economic exposure to emerging market countries. Our investment universe covers more than 70 countries and includes many companies not in the Fund's MSCI Emerging Markets Index benchmark, presenting a vast opportunity set.

### We Employ Our Team-Based Process to Select Undervalued Investments

The Dodge & Cox Emerging Markets Equity Investment Committee, which manages the Fund, is comprised of six experienced investment team members with an average tenure of 20 years at Dodge & Cox. The Committee selects companies that, in our opinion, are currently undervalued by the market but have attractive prospects for long-term growth. The portfolio is constructed security by security from the bottom up, consistent with our investment approach. We aim to maintain a diverse set of holdings by region and sector because we think that allows our relative returns to be driven more by individual stock picking than large macroeconomic exposures. The Committee carefully monitors risk concentration across countries, regions, and sectors in an effort to modulate volatility and provide positive investor outcomes over the long term.

Our portfolio construction process encourages analysts to advocate for starting positions in a range of sizes, including small positions that we may add to as our views evolve. Our analysts use a variety of inputs and tools to identify opportunities, including our proprietary screening model. These screens help us narrow the potential list of investments to identify companies with certain attractive characteristics for further research and consideration by our analysts. Our proprietary model incorporates more than 100 different measures, including a heavy emphasis on valuation, strength of the business franchise, growth potential, and management quality.

Our team of global research analysts is organized by industry and conducts detailed primary research, which provides us the necessary perspective about industry dynamics to assess company fundamentals and compare valuations. We identify investment opportunities by analyzing the long-term fundamentals of a business, including prospective earnings, cash flow, and dividends over our three- to five-year investment horizon.

We carefully evaluate ESG factors to determine whether they are likely to have a material impact on the company's prospects. More specifically, we consider the underlying financial condition and

outlook for each company, as well as governance structures, history of capital allocation, shareholder protections, treatment of minority investors, economic and political stability in the issuer's location, and environmental and social factors.

Consistent with other Dodge & Cox Funds, we sell positions when we believe a company's valuation reflects more optimistic expectations about the company's future prospects than our own expectations, there is a clear deterioration of fundamentals, or when we identify other, more attractive opportunities elsewhere.

### In Closing

As an active manager, we have the flexibility to pursue the opportunities we see as most compelling across emerging markets around the world. Investors who share Dodge & Cox's long-term investment horizon and are seeking active, value-oriented exposure to developing economies and companies in markets that are difficult to access should benefit from this Fund. We look forward to discussing this new investment opportunity with you. Thank you for your continued confidence in Dodge & Cox.

For the Board of Trustees,



Charles F. Pohl,  
Chairman



Dana M. Emery,  
President

July 30, 2021

<sup>(a)</sup> Unless otherwise specified, weightings and characteristics are as of June 30, 2021.

<sup>(b)</sup> The use of specific examples does not imply that they are more or less attractive investments than the portfolio's other holdings.

## Key Characteristics of Dodge & Cox

### Independent Organization

Dodge & Cox is one of the largest privately owned investment managers in the world. We remain committed to independence, with a goal of providing the highest quality investment management service to our existing clients.

### Over 90 Years of Investment Experience

Dodge & Cox was founded in 1930. We have a stable and well-qualified team of investment professionals, most of whom have spent their entire careers at Dodge & Cox.

### Experienced Investment Team

The Emerging Markets Equity Investment Committee, which is the decision-making body for the Emerging Markets Stock Fund, is a six-member committee with an average tenure at Dodge & Cox of 20 years.

### One Business with a Single Research Office

Dodge & Cox manages equity (domestic, international, and global), fixed income (domestic and global), and balanced investments, operating from one office in San Francisco.

### Consistent Investment Approach

Our team decision-making process involves thorough, bottom-up fundamental analysis of each investment.

### Long-Term Focus and Low Expenses

We invest with a three- to five-year investment horizon, which has historically resulted in low turnover relative to our peers. We manage Funds that maintain low expense ratios.

**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. Investing in non-U.S. securities may entail risk due to foreign economic and political developments; this risk may be increased when investing in emerging markets. The Fund is also subject to currency risk. Please read the prospectus and summary prospectus for specific details regarding the Fund's risk profile.**

## Average Annual Total Return

For Periods Ended June 30, 2021

Dodge & Cox Emerging Markets Stock Fund  
MSCI Emerging Markets Index

Since  
Inception  
(5/11/21)

0.90%  
3.86

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. Performance is updated and published monthly. Visit the Fund's website at [dodgeandcox.com](http://dodgeandcox.com) or call 800-621-3979 for current performance figures.

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 MSCI Emerging Markets Index is an equity market index that captures large- and mid-cap representation across 27 emerging market countries. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed, or produced by MSCI.

*MSCI Emerging Markets is a service mark of MSCI Barra.*

## Fund Expense Example

As a Fund shareholder, you incur ongoing Fund costs, including management fees and other Fund expenses. All mutual funds have ongoing costs, sometimes referred to as operating expenses. The following example shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other mutual funds. The example assumes a \$1,000 investment held for the period indicated.

### Actual Expenses

The first line of the table below provides information about actual account values and expenses based on the Fund's actual returns. You may use the information in this line, together with your account balance, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

### Hypothetical Example for Comparison with Other Mutual Funds

Information on the second line of the table can help you compare ongoing costs of investing in the Fund with those of other mutual funds. This information may not be used to estimate the actual ending account balance or expenses you paid during the period. The hypothetical "Ending Account Value" is based on the actual expense ratio of the Fund and an assumed 5% annual rate of return before expenses (not the Fund's actual return). The amount under the heading "Expenses Paid During Period" shows the hypothetical expenses your account would have incurred under this scenario. You can compare this figure with the 5% hypothetical examples that appear in shareholder reports of other mutual funds.

Period Ended June 30, 2021	Beginning Account Value 5/11/2021	Ending Account Value 6/30/2021	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$1,009.00	\$3.49
Based on Hypothetical 5% Yearly Return	1,000.00	1,021.32	3.51

\* Expenses are equal to the Fund's annualized expense ration of 0.70%, multiplied by the average account value over the period, multiplied by 50/365 (to reflect the days in the period).

The expenses shown in the table highlight ongoing costs only and do not reflect any transactional fees or account maintenance fees. Though other mutual funds may charge such fees, please note that the Fund does not charge transaction fees (e.g., redemption fees, sales loads) or universal account maintenance fees (e.g., small account fees).

<b>Sector Diversification (%)<sup>(a)</sup></b>	<b>% of Net Assets</b>
Consumer Discretionary	20.2
Financials	18.6
Information Technology	14.7
Communication Services	8.6
Materials	6.2
Consumer Staples	5.4
Energy	5.1
Industrials	4.7
Health Care	3.9
Utilities	2.1
Real Estate	1.8

<b>Top 10 Largest Countries<sup>(a)</sup></b>	<b>% of Net Assets</b>
China	23.9
South Korea	9.9
India	7.3
Taiwan	6.6
Mexico	5.3
South Africa	4.8
Brazil	4.2
Hong Kong	4.2
United Kingdom	3.7
Russia	3.0

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(a) Excludes derivatives.

**Common Stocks: 81.5%**

	Shares	Value		Shares	Value
<b>Communication Services: 8.6%</b>					
<b>Media &amp; Entertainment: 6.4%</b>					
Astro Malaysia Holdings BHD (Malaysia)	168,914	\$ 46,791	Ser Educatonal SA <sup>(b)</sup> (Brazil)	16,900	\$ 63,675
Baidu, Inc. ADR <sup>(a)</sup> (Cayman Islands/China)	19,244	3,923,852	Yum China Holdings, Inc. (United States)	3,543	234,724
Grupo Televisa SAB (Mexico)	903,714	2,582,299			2,118,324
IGG, Inc. (Hong Kong)	209,600	276,972	<b>Retailing: 15.8%</b>		
JOYY, Inc. ADR (China)	2,900	191,313	Alibaba Group Holding, Ltd. ADR <sup>(a)</sup> (Cayman Islands/China)	34,141	7,742,496
Megacable Holdings SAB de CV, Unit (Mexico)	12,014	42,676	China Tourism Group Duty Free Corp., Ltd., Class A (China)	1,557	72,314
NetEase, Inc. ADR (China)	2,714	312,788	China Yongda Automobiles Services Holdings, Ltd. (Hong Kong)	45,200	80,919
NEXON Co., Ltd. (Japan)	11,500	256,303	Cuckoo Homesys Co., Ltd. (South Korea)	6,892	276,929
Sun TV Network, Ltd. (India)	29,217	207,935	JD.com, Inc., Class A <sup>(a)</sup> (China)	64,221	2,526,061
		7,840,929	Naspers, Ltd., Class N (South Africa)	20,998	4,408,683
<b>Telecommunication Services: 2.2%</b>			Petrobras Distribuidora SA (Brazil)	10,029	53,797
America Movil SAB de CV, Series L (Mexico)	1,344,200	1,011,488	Prosus NV, Class N <sup>(a)</sup> (Netherlands)	32,970	3,224,097
China Tower Corp., Ltd., Class H <sup>(b)</sup> (China)	2,760,800	380,467	PTG Energy PCL NVDR (Thailand)	684,186	394,928
Millicom International Cellular SA SDR <sup>(a)</sup> (Luxembourg)	14,775	584,916	Trip.com Group, Ltd. ADR (China)	8,300	294,318
Safaricom PLC (Kenya)	1,540,314	599,566	Vipshop Holdings, Ltd. ADR <sup>(a)</sup> (China)	6,930	139,154
Turkcell Iletisim Hizmetleri AS (Turkey)	23,976	44,335	Zhongsheng Group Holdings, Ltd. (China)	9,300	77,377
		2,620,772			19,291,073
		10,461,701	<b>Consumer Staples: 5.3%</b>		
<b>Consumer Discretionary: 20.2%</b>			<b>Food &amp; Staples Retailing: 1.9%</b>		
<b>Automobiles &amp; Components: 0.7%</b>			BIM Birlesik Magazalar AS (Turkey)	6,269	44,749
Fuyao Glass Industry Group Co., Ltd., Class H <sup>(b)</sup> (China)	11,929	84,041	Grupo Comercial Chedraui SAB de CV, Class B (Mexico)	28,100	44,996
Hyundai Mobis Co., Ltd. (South Korea)	1,300	337,078	Magnit PJSC (Russia)	22,913	1,660,859
PT Astra International Tbk (Indonesia)	1,076,100	366,616	Wal-Mart de Mexico SAB de CV (Mexico)	22,757	74,331
Tofas Turk Otomobil Fabrikasi AS (Turkey)	12,560	42,613	X5 Retail Group NV GDR (Netherlands)	1,500	52,595
		830,348	Yonghui Superstores Co., Ltd., Class A (China)	537,500	393,468
<b>Consumer Durables &amp; Apparel: 2.0%</b>					2,270,998
Feng Tay Enterprise Co., Ltd. (Taiwan, Province of China/Taiwan)	56,286	493,923	<b>Food, Beverage &amp; Tobacco: 3.4%</b>		
Gree Electric Appliances, Inc. of Zhuhai, Class A (China)	151,514	1,221,689	Anadolu Efes Biracilik Ve Malt Sanayii AS (Turkey)	18,423	47,101
Midea Group Co., Ltd., Class A (China)	18,071	199,603	Anheuser-Busch InBev SA NV (Belgium)	18,377	1,325,082
Pou Chen Corp. (Taiwan, Province of China/Taiwan)	332,143	468,487	Arca Continental SAB de CV (Mexico)	7,871	45,550
		2,383,702	Century Pacific Food, Inc. (Philippines)	572,443	274,407
<b>Consumer Services: 1.7%</b>			China Feihe, Ltd. <sup>(b)</sup> (China)	161,557	348,737
Afya, Ltd., Class A <sup>(a)</sup> (United States)	1,843	47,512	Fomento Economico Mexicano SAB de CV (Mexico)	6,343	53,652
Fu Shou Yuan International Group, Ltd. (Hong Kong)	206,457	201,556	GFPT PCL NVDR (Thailand)	599,629	215,155
Galaxy Entertainment Group, Ltd. <sup>(a)</sup> (Hong Kong)	49,243	394,170	Grupo Nutresa SA (Colombia)	7,354	42,874
Haidilao International Holding, Ltd. <sup>(b)</sup> (China)	42,400	223,350	PT Indofood CBP Sukses Makmur Tbk (Indonesia)	469,814	264,068
Huazhu Group, Ltd. <sup>(a)</sup> (Hong Kong)	16,640	89,262	Saudia Dairy & Foodstuff Co. (Saudi Arabia)	3,459	166,374
Leejam Sports Co. JSC (Saudi Arabia)	9,549	198,078	Vietnam Dairy Products JSC (Vietnam)	79,300	311,467
New Oriental Education & Technology Group, Inc. <sup>(a)</sup> (Hong Kong)	69,943	576,530	WH Group, Ltd. <sup>(b)</sup> (Hong Kong)	1,149,543	1,033,423
Sands China, Ltd. <sup>(a)</sup> (Hong Kong)	21,243	89,467			4,127,890
			<b>Household &amp; Personal Products: 0.0%</b>		
			Grape King Bio, Ltd. (Taiwan, Province of China/Taiwan)	10,714	66,332
					6,465,220
			<b>Energy: 5.1%</b>		
			Ecopetrol SA (Colombia)	67,032	48,617

## Common Stocks (continued)

	Shares	Value		Shares	Value
Geopark, Ltd. (Bermuda/United States)	3,414	\$ 43,187			
INPEX Corp. (Japan)	70,200	523,838			
Lukoil PJSC (Russia)	6,722	622,744			
MOL Hungarian Oil & Gas PLC, Class A <sup>(a)</sup> (Hungary)	67,011	533,159			
Motor Oil (Hellas) Corinth Refineries SA (Greece)	32,564	552,163			
National Energy Services Reunited Corp. <sup>(a)</sup> (British Virgin/United States)	44,943	640,438			
Novatek PJSC (Russia)	28,958	635,987			
Petroleo Brasileiro SA <sup>(a)</sup> (Brazil)	170,743	1,039,810			
PT Indo Tambangraya Megah Tbk (Indonesia)	614,486	601,772			
PT United Tractors Tbk (Indonesia)	345,486	482,489			
PTT Exploration & Production PCL NVDR (Thailand)	68,900	251,523			
Semirara Mining & Power Corp. (Philippines)	629,314	190,025			
Transportadora de Gas del Sur SA ADR, Class B <sup>(a)</sup> (Argentina)	11,600	53,708			
		<u>6,219,460</u>			
<b>Financials: 15.2%</b>					
<b>Banks: 10.7%</b>					
Axis Bank, Ltd. <sup>(a)</sup> (India)	168,171	1,693,475			
Banca Transilvania SA (Romania)	75,000	49,766			
Bank Polska Kasa Opieki SA <sup>(a)</sup> (Poland)	1,740	42,439			
BDO Unibank, Inc. (Philippines)	208,361	483,181			
Brac Bank, Ltd. (Bangladesh)	421,913	246,412			
China Merchants Bank Co., Ltd., Class H (China)	60,300	514,518			
Commercial International Bank (Egypt) SAE <sup>(a)</sup> (Egypt)	110,604	369,972			
Credicorp, Ltd. (Peru)	8,943	1,083,087			
Equity Group Holdings PLC <sup>(a)</sup> (Kenya)	609,229	255,210			
Grupo Financiero Banorte SAB de CV, Class O (Mexico)	9,536	61,405			
ICICI Bank, Ltd. <sup>(a)</sup> (India)	536,765	4,559,939			
IndusInd Bank, Ltd. <sup>(a)</sup> (India)	19,580	267,371			
Intercorp Financial Services (Panama)	1,357	34,088			
JB Financial Group Co., Ltd. (South Korea)	50,549	337,996			
Kasikornbank PCL NVDR (Thailand)	72,443	266,717			
Military Commercial Joint Stock Bank (Vietnam)	296,700	558,826			
OTP Bank Nyrt. <sup>(a)</sup> (Hungary)	807	43,445			
PT Bank Rakyat Indonesia (Persero) Tbk, Class B (Indonesia)	1,919,914	521,687			
PT Bank Tabungan Negara (Persero) Tbk (Indonesia)	4,897,314	462,712			
Shinhan Financial Group Co., Ltd. (South Korea)	14,588	525,927			
TCS Group Holding PLC GDR, Class A (Cyprus)	1,944	170,439			
Tisco Financial Group PCL NVDR (Thailand)	117,400	324,178			
Vietnam Technological & Commercial Joint Stock Bank <sup>(a)</sup> (Vietnam)	76,400	174,934			
		<u>13,047,724</u>			
<b>Diversified Financials: 1.1%</b>					
AEON Credit Service (M) BHD (Malaysia)	57,200	160,102			
Chailease Holding Co., Ltd. (Taiwan, Province of China/Taiwan)	72,286	\$ 525,363			
Grupo de Inversiones Suramericana SA (Colombia)	8,063	39,746			
Noah Holdings, Ltd. ADR, Class A <sup>(a)</sup> (China)	13,471	635,831			
		<u>1,361,042</u>			
<b>Insurance: 3.4%</b>					
BB Seguridade Participacoes SA (Brazil)	13,700	63,627			
Korean Reinsurance Co. (South Korea)	44,701	390,982			
Old Mutual, Ltd. (South Africa)	620,031	586,164			
Ping An Insurance (Group) Co. of China Ltd., Class H (China)	95,157	932,047			
Prudential PLC (United Kingdom)	79,414	1,508,836			
Sanlam, Ltd. (South Africa)	137,474	590,811			
		<u>4,072,467</u>			
		<u>18,481,233</u>			
<b>Health Care: 3.9%</b>					
<b>Health Care Equipment &amp; Services: 1.7%</b>					
China Isotope & Radiation Corp. (China)	38,000	155,635			
Shandong Pharmaceutical Glass Co., Ltd., Class A (China)	69,900	367,271			
Sinocare, Inc., Class A (China)	84,657	410,350			
Sinopharm Group Co., Ltd. (China)	385,014	1,145,477			
		<u>2,078,733</u>			
<b>Pharmaceuticals, Biotechnology &amp; Life Sciences: 2.2%</b>					
Adcock Ingram Holdings, Ltd. (South Africa)	103,091	319,813			
Beijing Tong Ren Tang Chinese Medicine Co., Ltd. (Hong Kong)	217,700	359,455			
Dr. Reddy's Laboratories, Ltd. (India)	7,353	534,856			
Guangzhou Baiyunshan Pharmaceutical Holdings Co., Ltd., Class H (China)	114,786	362,943			
Jiangsu Hengrui Medicine Co., Ltd., Class A (China)	30,794	323,932			
YiChang HEC ChangJiang Pharmaceutical Co., Ltd., Class H <sup>(b)</sup> (China)	410,143	452,703			
Zhejiang NHU Co., Ltd., Class A (China)	80,163	355,814			
		<u>2,709,516</u>			
		<u>4,788,249</u>			
<b>Industrials: 4.2%</b>					
<b>Capital Goods: 1.3%</b>					
BizLink Holding, Inc. (Taiwan, Province of China/Taiwan)	27,000	250,983			
Chicony Power Technology Co., Ltd. (Taiwan, Province of China/Taiwan)	90,000	233,863			
Dare Power Dekor Home Co., Ltd., Class A (China)	104,186	191,556			
Doosan Bobcat, Inc. <sup>(a)</sup> (South Korea)	2,898	123,522			
Ferrecorp SA (Peru)	77,175	32,272			
Fosun International, Ltd. (Hong Kong)	156,314	225,080			
HEG, Ltd. (India)	7,073	208,489			
KOC Holding AS (Turkey)	20,473	43,101			
Larsen & Toubro, Ltd. (India)	15,953	321,839			
		<u>1,630,705</u>			



Preferred Stocks (continued)

	Par Value/ Shares	Value
Amorepacific Corp., Pfd (South Korea)	526	\$ 41,149
LG Household & Health Care, Ltd., Pfd (South Korea)	32	21,738
		<u>62,887</u>
		147,394
<b>Financials: 3.4%</b>		
<b>Banks: 3.0%</b>		
Itau Unibanco Holding SA, Pfd (Brazil)	620,100	3,715,264
<b>Diversified Financials: 0.4%</b>		
Korea Investment Holdings Co., Ltd., Pfd (South Korea)	6,354	482,411
		<u>4,197,675</u>
<b>Industrials: 0.5%</b>		
<b>Capital Goods: 0.5%</b>		
DL E&C Co., Ltd., Pfd <sup>(a)</sup> (South Korea)	3,997	283,586
DL Holdings Co., Ltd., Pfd (South Korea)	6,295	261,325
		<u>544,911</u>
<b>Information Technology: 5.8%</b>		
<b>Technology, Hardware &amp; Equipment: 5.8%</b>		
Samsung Electro-Mechanics Co., Ltd., Pfd (South Korea)	5,361	506,990
Samsung Electronics Co., Ltd., Pfd (South Korea)	100,790	6,596,122
		<u>7,103,112</u>
<b>Total Preferred Stocks</b> (Cost \$11,995,911)		<b>\$11,993,092</b>

Short-Term Investments: 12.2%

	Par Value/ Shares	Value
<b>Repurchase Agreements: 11.8%</b>		
Fixed Income Clearing Corporation <sup>(c)</sup> 0.000%, dated 6/30/21, due 7/1/21, maturity value \$14,429,000	\$14,429,000	\$ 14,429,000

Futures Contracts

Description	Number of Contracts	Expiration Date	Notional Amount	Value / Unrealized Appreciation/ (Depreciation)
ICE US MSCI Emerging Markets Index Futures— Long Position	129	9/17/21	\$8,802,960	\$28,219

Currency Forward Contracts

Counterparty	Settle Date	Currency Purchased	Currency Sold	Unrealized Appreciation (Depreciation)
<b>KRW: South Korean Won</b>				
Goldman Sachs	2/16/22	USD 1,038,475	KRW 1,166,000,000	\$ 4,230
Goldman Sachs	2/16/22	USD 465,121	KRW 516,540,000	6,948
Goldman Sachs	2/16/22	USD 512,201	KRW 573,000,000	3,949
<b>THB: Thai Baht</b>				
HSBC	2/9/22	USD 612,391	THB 19,275,000	11,449
HSBC	2/9/22	USD 195,496	THB 6,120,000	4,691
HSBC	2/9/22	USD 316,699	THB 9,900,000	8,044
HSBC	2/9/22	THB 9,550,000	USD 298,704	(961)
Unrealized gain on currency forward contracts				39,311
Unrealized loss on currency forward contracts				(961)
Net unrealized gain on currency forward contracts				<u>\$38,350</u>

The listed counterparty may be the parent company or one of its subsidiaries.

	Par Value/ Shares	Value
<b>Money Market Fund: 0.4%</b>		
State Street Institutional U.S. Government Money Market Fund - Premier Class	447,934	\$ 447,934
<b>Total Short-Term Investments</b> (Cost \$14,876,934)		<b>\$ 14,876,934</b>
<b>Total Investments In Securities</b> (Cost \$126,307,872)	103.5%	<b>\$126,244,757</b>
Other Assets Less Liabilities	(3.5)%	(4,325,163)
<b>Net Assets</b>	<b>100.0%</b>	<b>\$121,919,594</b>

(a) Non-income producing

(b) Security exempt from registration under Rule 144A of the Securities Act of 1933. The security may be resold in transactions exempt from registration, normally to qualified institutional buyers.

(c) Repurchase agreement is collateralized by U.S. Treasury Notes 0.125%, 10/31/22. Total collateral value is \$14,717,594.

In determining a company's country designation, the Fund generally references the country of incorporation. In cases where the Fund considers the country of incorporation to be a "jurisdiction of convenience" chosen primarily for tax purposes or in other limited circumstances, the Fund uses the country designation of an appropriate broad-based market index. In those cases, two countries are listed - the country of incorporation and the country designated by an appropriate index, respectively.

ADR: American Depositary Receipt

SDR: Swedish Depositary Receipt

## Statement of Assets and Liabilities (unaudited)

	June 30, 2021
<b>Assets:</b>	
Investments in securities, at value	
Investments in securities (cost \$111,878,872)	\$111,815,757
Repurchase agreements (cost \$14,429,000)	14,429,000
	<u>126,244,757</u>
Unrealized appreciation on currency forward contracts	39,311
Cash denominated in foreign currency (cost \$3,760)	3,757
Deposits with broker for futures contracts	553,797
Receivable for Fund shares sold	395,172
Dividends and interest receivable	220,132
Expense reimbursement receivable	118,404
Prepaid expenses and other assets	414,881
	<u>127,990,211</u>
<b>Liabilities:</b>	
Unrealized depreciation on currency forward contracts	961
Payable for variation margin for futures contracts	63,210
Payable for investments purchased	5,888,079
Deferred foreign capital gains tax	16,123
Management fees payable	45,640
Accrued expenses	56,604
	<u>6,070,617</u>
<b>Net Assets</b>	<b>\$121,919,594</b>
<b>Net Assets Consist of:</b>	
Paid in capital	\$121,993,065
Accumulated loss	(73,471)
	<u>\$121,919,594</u>
Fund shares outstanding (par value \$0.01 each, unlimited shares authorized)	12,087,723
Net asset value per share	\$ 10.09

## Statement of Operations (unaudited)

	From May 11, 2021 (Inception) to June 30, 2021
<b>Investment Income:</b>	
Dividends (net of foreign taxes of \$30,085)	\$ 270,136
	<u>270,136</u>
<b>Expenses:</b>	
Management fees	58,339
Custody and fund accounting fees	15,423
Transfer agent fees	3,179
Professional services	35,944
Shareholder reports	5,867
Registration fees	16,607
Trustees fees	50,640
Miscellaneous	467
Total expenses	<u>186,466</u>
Expenses reimbursed by investment manager	(118,404)
Net expenses	<u>68,062</u>
<b>Net Investment Income</b>	<b>202,074</b>
<b>Realized and Unrealized Gain (Loss):</b>	
Net realized gain (loss)	
Futures contracts	(208,597)
Currency forward contracts	266
Foreign currency transactions	(54,778)
Net change in unrealized appreciation/depreciation	
Investments in securities (net of change in deferred foreign capital gains tax of \$16,123)	(79,238)
Futures contracts	28,219
Currency forward contracts	38,350
Foreign currency translation	233
	<u>(275,545)</u>
Net realized and unrealized loss	(275,545)
<b>Net Change in Net Assets From Operations</b>	<b>\$ (73,471)</b>

## Statement of Changes in Net Assets (unaudited)

	From May 11, 2021 (Inception) to June 30, 2021
<b>Operations:</b>	
Net investment income	\$ 202,074
Net realized gain (loss)	(263,109)
Net change in unrealized appreciation/depreciation	(12,436)
	<u>(73,471)</u>
<b>Distributions to Shareholders:</b>	
Total distributions	—
<b>Fund Share Transactions:</b>	
Proceeds from sale of shares	122,414,555
Cost of shares redeemed	(421,490)
Net change from Fund share transactions	<u>121,993,065</u>
Total change in net assets	121,919,594
<b>Net Assets:</b>	
Beginning of period	—
End of period	<u>\$121,919,594</u>
<b>Share Information:</b>	
Shares sold	12,129,591
Shares redeemed	(41,868)
Net change in shares outstanding	<u>12,087,723</u>

## Notes to Financial Statements (unaudited)

### Note 1: Organization and Significant Accounting Policies

Dodge & Cox Emerging Markets Stock Fund (the “Fund”) is one of the series constituting the Dodge & Cox Funds (the “Trust” or the “Funds”). The Trust is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended, as an open-end management investment company. The Fund commenced operations on May 11, 2021, and seeks long-term growth of principal and income. The Fund invests primarily in a diversified portfolio of emerging markets equity securities issued by companies from at least three different countries. Foreign investing, especially in developing countries, has special risks such as currency and market volatility and political and social instability. These and other risk considerations are discussed in the Fund’s Prospectus.

The Fund is an investment company and follows the accounting and reporting guidance issued in Topic 946 by the Financial Accounting Standards Board. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which require the use of estimates and assumptions by management. Actual results may differ from those estimates. Significant accounting policies are as follows:

**Security valuation** The Fund’s net assets are normally valued as of the scheduled close of trading on the New York Stock Exchange (NYSE), generally 4 p.m. Eastern Time, each day that the NYSE is open for business.

Portfolio holdings for which market quotes are readily available are valued at market value. Listed securities, for example, are generally valued using the official quoted close price or the last sale on the exchange that is determined to be the primary market for the security. Exchange-traded derivatives are valued at the settlement price determined by the relevant exchange. Short-term securities less than 60 days to maturity may be valued at amortized cost if amortized cost approximates current value. Mutual funds are valued at their respective net asset values. Security values are not discounted based on the size of the Fund’s position and may differ from the value a Fund receives upon sale of the securities.

Investments initially valued in currencies other than the U.S. dollar are converted to the U.S. dollar using prevailing exchange rates. Currency forward contracts are valued based on the prevailing forward exchange rates of the underlying currencies. As a result, the Fund’s net assets may be affected by changes in the value of currencies in relation to the U.S. dollar.

If market quotations are not readily available or if normal valuation procedures produce valuations that are deemed unreliable or inappropriate under the circumstances existing at the time, the investment will be valued at fair value as determined in good faith by or under the direction of the Fund’s Board of Trustees. The Board of Trustees has appointed Dodge & Cox, the Fund’s investment manager, to make fair value determinations in accordance with the Dodge & Cox Funds Valuation Policies (“Valuation Policies”), subject to Board oversight. Dodge & Cox has established a Pricing Committee that is comprised of representatives from Treasury, Legal, Compliance, and Operations. The Pricing Committee is responsible for implementing the Valuation Policies, including determining the fair value of securities and other investments when necessary. The Pric-

ing Committee considers relevant indications of value that are reasonably available to it in determining the fair value assigned to a particular security, such as the value of similar financial instruments, trading volumes, contractual restrictions on disposition, related corporate actions, and changes in economic conditions. In doing so, the Pricing Committee employs various methods for calibrating fair valuation approaches, including a regular review of key inputs and assumptions, back-testing, and review of any related market activity.

As trading in securities on most foreign exchanges is normally completed before the close of the NYSE, the value of non-U.S. securities can change by the time the Fund calculates its net asset value. To address these changes, the Fund may utilize adjustment factors provided by an independent pricing service to systematically value non-U.S. securities at fair value. These adjustment factors are based on statistical analyses of subsequent movements and changes in U.S. markets and financial instruments trading in U.S. markets that represent foreign securities or baskets of securities.

Valuing securities through a fair value determination involves greater reliance on judgment than valuation of securities based on readily available market quotations. In some instances, lack of information and uncertainty as to the significance of information may lead to a conclusion that a prior valuation is the best indication of a security’s value. When fair value pricing is employed, the prices of securities used by the Fund to calculate its net asset value may differ from quoted or published prices for the same securities.

**Security transactions, investment income, expenses, and distributions** Security transactions are recorded on the trade date. Realized gains and losses on securities sold are determined on the basis of identified cost.

Dividend income and corporate action transactions are recorded on the ex-dividend date, or when the Fund first learns of the dividend/corporate action if the ex-dividend date has passed. Non-cash dividends, if any, are recorded at the fair market value of the securities received. Dividends characterized as return of capital for U.S. tax purposes are recorded as a reduction of cost of investments and/or realized gain. Interest income is recorded on the accrual basis.

Expenses are recorded on the accrual basis. Some expenses of the Trust can be directly attributed to a specific series. Expenses which cannot be directly attributed are allocated among the Funds in the Trust using methodologies determined by the nature of the expense.

Distributions to shareholders are recorded on the ex-dividend date.

**Foreign taxes** The Fund may be subject to foreign taxes which may be imposed by certain countries in which the Fund invests. The Fund endeavors to record foreign taxes based on applicable foreign tax law. Withholding taxes are incurred on certain foreign dividends and are accrued at the time the associated dividend is recorded. The Fund files withholding tax reclaims in certain jurisdictions to recover a portion of amounts previously withheld. The Fund records a reclaim receivable based on, among other things, a jurisdiction’s legal obligation to pay reclaims as well as payment history and market convention.

## Notes to Financial Statements (unaudited)

**Foreign currency translation** The books and records of the Fund are maintained in U.S. dollars. Foreign currency amounts are translated into U.S. dollars at the prevailing exchange rates of such currencies against the U.S. dollar. The market value of investment securities and other assets and liabilities are translated at the exchange rate as of the valuation date. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the transaction date.

Reported realized and unrealized gain (loss) on investments include foreign currency gain (loss) related to investment transactions.

Reported realized and unrealized gain (loss) on foreign currency transactions and translation include the following: disposing/holding of foreign currency, the difference in exchange rate between the trade and settlement dates on securities transactions, the difference in exchange rate between the accrual and payment dates on dividends, and currency losses on the purchase of foreign currency in certain countries that impose taxes on such transactions.

**Repurchase agreements** Repurchase agreements are transactions under which a Fund purchases a security from a dealer counterparty and agrees to resell the security to that counterparty on a specified future date at the same price, plus a specified interest rate. The Fund's repurchase agreements are secured by U.S. government or agency securities. It is the Fund's policy that its custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction, including accrued interest, at all times. In the event of default by the counterparty, the Fund has the contractual right to liquidate the collateral securities and to apply the proceeds in satisfaction of the obligation.

**Indemnification** Under the Trust's organizational documents, its officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the Trust. In addition, in the normal course of business the Trust enters into contracts that provide general indemnities to other parties. The Trust's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Trust that have not yet occurred.

### Note 2: Valuation Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below.

- Level 1: Quoted prices in active markets for identical securities
- Level 2: Other significant observable inputs (including quoted prices for similar securities, market indices, interest rates, credit risk, forward exchange rates, etc.)
- Level 3: Significant unobservable inputs (including Fund management's assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Fund's holdings at June 30, 2021:

Classification	LEVEL 1 (Quoted Prices)	LEVEL 2 (Other Significant Observable Inputs)
<b>Securities</b>		
<b>Common Stocks</b>		
Communication Services	\$ 10,461,701	\$ —
Consumer Discretionary	24,623,447	—
Consumer Staples	6,465,220	—
Energy	6,219,460	—
Financials	18,481,233	—
Health Care	4,788,249	—
Industrials	5,131,939	—
Information Technology	10,215,205	636,824
Materials	7,611,766	—
Real Estate	2,184,257	—
Utilities	2,555,430	—
<b>Preferred Stocks</b>		
Consumer Staples	147,394	—
Financials	4,197,675	—
Industrials	544,911	—
Information Technology	7,103,112	—
<b>Short-Term Investments</b>		
Repurchase Agreements	—	14,429,000
Money Market Fund	447,934	—
<b>Total Securities</b>	<b>\$111,178,933</b>	<b>\$15,065,824</b>
<b>Other Investments</b>		
<b>Futures Contracts</b>		
Appreciation	\$ 28,219	\$ —
<b>Currency Forward Contracts</b>		
Appreciation	—	39,311
Depreciation	—	(961)

### Note 3: Derivative Instruments

The Fund may use derivatives either to minimize the impact of certain risks to one or more of its investments (as a "hedging technique") or to implement its investment strategy. A derivative is a financial instrument whose value is derived from a security, currency, interest rate, index, or other financial instrument.

**Futures contracts** Futures contracts involve an obligation to purchase or sell (depending on whether the Fund has entered a long or short futures contract, respectively) an asset at a future date, at a price set at the time of the contract. Futures contracts are exchange-traded. Upon entering into a futures contract, the Fund is required to deposit an amount of cash or liquid assets (referred to as "initial margin") in a segregated account with the clearing broker. Subsequent payments (referred to as "variation margin") to and from the clearing broker are made on a daily basis based on changes in the market value of the contract. Changes in the market value of open futures contracts are recorded as unrealized appreciation or depreciation in the Statement of Operations. Realized gains and losses on futures contracts are recorded in the Statement of Operations at the closing

## Notes to Financial Statements (unaudited)

or expiration of the contracts. Cash deposited with a broker as initial margin is recorded in the Statement of Assets and Liabilities. A receivable and/or payable to brokers for daily variation margin is also recorded in the Statement of Assets and Liabilities.

Investments in futures contracts may include certain risks, which may be different from, and potentially greater than, those of the underlying securities. To the extent the Fund uses futures, it is exposed to additional volatility and potential losses resulting from leverage.

The Fund used equity index futures contracts to create equity exposure, equal to some or all of its non-equity net assets.

**Currency forward contracts** Currency forward contracts are agreements to purchase or sell a specific currency at a specified future date and price. Currency forward contracts are traded over-the-counter. The values of currency forward contracts change daily based on the prevailing forward exchange rates of the underlying currencies. Changes in the value of open contracts are recorded as unrealized appreciation or depreciation in the Statement of Operations. When a currency forward contract is closed, the Fund records a realized gain or loss in the Statement of Operations equal to the difference between the value at the time the contract was opened and the value at the time it was closed.

Losses from these transactions may arise from unfavorable changes in currency values or if a counterparty does not perform under a contract's terms.

The Fund used currency forward contracts to hedge direct foreign currency exposure.

**Additional derivative information** The following identifies the location on the Statement of Assets and Liabilities and values of the Fund's derivative instruments categorized by primary underlying risk exposure.

	Equity Derivatives	Foreign Exchange Derivatives	Total Value
<b>Assets</b>			
Unrealized appreciation on currency forward contracts	\$ —	\$39,311	\$39,311
Futures contracts <sup>(a)</sup>	28,219	—	28,219
	<u>\$28,219</u>	<u>\$39,311</u>	<u>\$67,530</u>
<b>Liabilities</b>			
Unrealized depreciation on currency forward contracts	\$ —	\$ 961	\$ 961

(a) Includes cumulative appreciation (depreciation). Only the current day's variation margin is reported in the Statement of Assets and Liabilities.

The following summarizes the effect of derivative instruments on the Statement of Operations, categorized by primary underlying risk exposure.

	Equity Derivatives	Foreign Exchange Derivatives	Total
<b>Net realized gain (loss)</b>			
Futures contracts	\$(208,597)	\$ —	\$(208,597)
Currency forward contracts	—	266	266
	<u>\$(208,597)</u>	<u>\$ 266</u>	<u>\$(208,331)</u>
<b>Net change in unrealized appreciation/depreciation</b>			
Futures contracts	\$ 28,219	\$ —	\$ 28,219
Currency forward contracts	—	38,350	38,350
	<u>\$ 28,219</u>	<u>\$38,350</u>	<u>\$ 66,569</u>

The following summarizes the range of volume in the Fund's derivative instruments during the period ended June 30, 2021.

Derivative		% of Net Assets
Futures contracts	USD notional value	8-8%
Currency forward contracts	USD total value	0-3%

The Fund may enter into various over-the-counter derivative contracts governed by International Swaps and Derivatives Association master agreements ("ISDA agreements"). The Fund's ISDA agreements, which are separately negotiated with each dealer counterparty, specify (i) events of default and other events permitting a party to terminate some or all of the contracts thereunder and (ii) the process by which those contracts will be valued for purposes of determining termination payments. If some or all of the contracts under a master agreement are terminated because of an event of default or similar event, the values of all terminated contracts must be netted to determine a single payment owed by one party to the other. To the extent amounts owed to the Fund by its counterparties are not collateralized, the Fund is at risk of those counterparties' non-performance. The Fund attempts to mitigate counterparty credit risk by entering into contracts only with counterparties it believes to be of good credit quality, by exchanging collateral, and by monitoring the financial stability of those counterparties.

For financial reporting purposes, the Fund does not offset assets and liabilities that are subject to a master netting arrangement in the Statement of Assets and Liabilities.

The Fund's ability to net assets and liabilities and to offset collateral pledged or received is based on contractual netting/offset provisions in the ISDA agreements. The following table presents the Fund's net exposure to each counterparty for derivatives that are subject to enforceable master netting arrangements as of June 30, 2021.

Counterparty	Gross Amount of Recognized Assets	Gross Amount of Recognized Liabilities	Cash Collateral Pledged / (Received)	Net Amount <sup>(a)</sup>
Goldman Sachs	\$15,127	\$ —	\$—	\$15,127
HSBC	24,184	(961)	—	23,223
	<u>\$39,311</u>	<u>\$ (961)</u>	<u>\$—</u>	<u>\$38,350</u>

(a) Represents the net amount receivable from (payable to) the counterparty in the event of a default.

## Notes to Financial Statements (unaudited)

### Note 4: Related Party Transactions

**Management fees** Under a written agreement approved by a unanimous vote of the Board of Trustees, the Fund pays a management fee monthly at an annual rate of 0.60% of the Fund's average daily net assets to Dodge & Cox, investment manager of the Fund. Dodge & Cox has contractually agreed to reimburse the Fund for all ordinary expenses to the extent necessary to maintain the ratio of total operating expenses to average net assets ("net expense ratio") at 0.70% through April 30, 2022. The term of the agreement is renewable annually thereafter unless terminated with 30 days' written notice by either party prior to the end of the term.

**Fund officers and trustees** All officers and two of the trustees of the Trust are officers or employees of Dodge & Cox. The Trust pays a fee only to those trustees who are not affiliated with Dodge & Cox.

**Share ownership** At June 30, 2021, Dodge & Cox and its executive officers owned 68% of the Fund's outstanding shares.

### Note 5: Income Tax Information and Distributions to Shareholders

A provision for federal income taxes is not required since the Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute all of its taxable income to shareholders. Distributions are determined in accordance with income tax regulations, and such amounts may differ from net investment income and realized gains for financial reporting purposes. The Fund may also designate a portion of the amount paid to redeeming shareholders as a distribution for tax purposes. Financial reporting records are adjusted for permanent book to tax differences at year end to reflect tax character. Book to tax differences are primarily due to differing treatments of wash sales, foreign currency realized gain (loss), foreign capital gains tax, and derivatives.

No distributions were declared since the Fund's inception.

At June 30, 2021, unrealized appreciation and depreciation for investments and derivatives based on cost for federal income tax purposes were as follows:

Tax cost	\$126,351,218
Unrealized appreciation	2,793,163
Unrealized depreciation	(2,833,055)
Net unrealized appreciation	(39,892)

Fund management has reviewed the tax positions for open periods (three years and four years, respectively, from filing the Fund's Federal and State tax returns) as applicable to the Fund, and has determined that no provision for income tax is required in the Fund's financial statements.

### Note 6: Purchases and Sales of Investments

For the period ended June 30, 2021, purchases and sales of securities, other than short-term securities, aggregated \$111,430,938 and \$0, respectively.

### Note 7: Subsequent Events

Fund management has determined that no material events or transactions occurred subsequent to June 30, 2021, and through the date of the Fund's financial statements issuance, which require additional disclosure in the Fund's financial statements.

## Financial Highlights (unaudited)

### Selected Data and Ratios

(for a share outstanding throughout each period)

Period Ended June 30,

	<u>2021</u>
<b>Net asset value, beginning of period</b>	\$10.00
<b>Income from investment operations:</b>	
Net investment income	0.02
Net realized and unrealized gain (loss)	<u>0.07</u>
Total from investment operations	<u>0.09</u>
<b>Distributions to shareholders from:</b>	
Net investment income	—
Net realized gain	<u>—</u>
Total distributions	<u>—</u>
<b>Net asset value, end of period</b>	<u>\$10.09</u>
<b>Total return</b>	0.90%
<b>Ratios/supplemental data:</b>	
Net assets, end of period (millions)	\$122
Ratio of expenses to average net assets	0.70% <sup>(a)</sup>
Ratio of expenses to average net assets, before reimbursement by investment manager	1.92% <sup>(a)</sup>
Ratio of net investment income to average net assets	2.08% <sup>(a)</sup>
Portfolio turnover rate	—%

(a) Annualized

See accompanying Notes to Financial Statements

## Board Approval of Funds' Investment Management Agreements and Management Fees

(unaudited)

The Board of Trustees is responsible for overseeing the performance of the Dodge & Cox Funds' investment manager and determining whether to approve the Investment Management Agreements between the Funds and Dodge & Cox each year. At a meeting of the Board of Trustees of the Trust held on September 17, 2020 (the "Meeting"), the Trustees, by a unanimous vote (including a separate vote of those Trustees who are not "interested persons" (as defined in the Investment Company Act of 1940) (the "Independent Trustees")), approved the Investment Management Agreement between the Dodge & Cox Emerging Markets Stock Fund (the "EM Fund") and Dodge & Cox (the "Agreement") for an initial term of two years. The Board previously voted unanimously to approve the renewal of the Investment Management Agreements for each of the Dodge & Cox Stock Fund, Dodge & Cox Global Stock Fund, Dodge & Cox International Stock Fund, Dodge & Cox Balanced Fund, Dodge & Cox Income Fund, and Dodge & Cox Global Bond Fund (the "Existing Funds", and together with the EM Fund, the "Funds") at a meeting held on December 12, 2019 (the "December 2019 Meeting").

### Information Received

The Board noted management's representation that, with the exception of the fee, the terms of the Agreement for the EM Fund were largely identical to the terms of the Investment Management Agreements for the Existing Funds. The Board considered that at the December 2019 Meeting and in the months preceding the December 2019 Meeting, the Board had requested, received, and reviewed extensive materials relevant to the approval of the Investment Management Agreements with the Existing Funds, including, but not limited to, materials relating to the nature, extent, and quality of services provided to the Existing Funds by Dodge & Cox, the investment performance of each Existing Fund, the costs of services provided to the Existing Funds, profits to be realized by Dodge & Cox from its relationship with the Existing Funds and any associated fall out benefits, and the fees charged to the Existing Funds as well as any economies of scale to be realized as the Existing Funds grow.

In advance of the Meeting, the Board, including the Independent Trustees, requested, received, and reviewed materials relating to the Agreement, and the EM Fund's management fee, including a Broadridge report regarding the diversified emerging markets category of mutual funds with detailed advisory fee rates and expense ratios of comparable funds managed by other advisers identified by Broadridge. The Board received copies of the Agreement and a memorandum from the independent legal counsel to the Independent Trustees discussing the factors generally regarded as appropriate to consider in evaluating advisory agreements. The Board, including the Independent Trustees, subsequently concluded that the proposed Agreement was fair and reasonable and voted to approve the Agreement.

In considering the Agreement, the Board, including the Independent Trustees, did not identify any single factor or particular information as all-important or controlling. In reaching the decision to approve the Agreement, the Board considered several factors,

discussed below, to be key factors and reached the conclusions described below.

### Nature, Quality, and Extent of the Service

The Board considered that, similar to the services that Dodge & Cox provides to the Existing Funds, Dodge & Cox is expected to provide a range of services to the EM Fund in addition to portfolio management, including regulatory compliance, trading desks, proxy voting, oversight of the Fund's transfer agent, custodian, and other service providers, administration, regulatory filings, tax compliance and filings, website, and anti-money laundering, and Dodge & Cox has consistently delivered a high level of service for the Existing Funds. The nature of services provided by Dodge & Cox to the Existing Funds has been documented in materials provided to the Board and in presentations made to the Board in previous years. In particular, the Board considered the nature, quality, and extent of portfolio management, administrative, and shareholder services performed by Dodge & Cox. With regard to portfolio management services, the Board considered Dodge & Cox's established long-term history of care in the management of the Existing Funds; its consistency and depth of investment approach; the background and experience of the members of the Dodge & Cox Emerging Markets Equity Investment Committee, which would be responsible for managing the EM Fund; Dodge & Cox's methods for assessing the regulatory and investment climate in various jurisdictions; its overall level of attention to its core investment management function; and its commitment to the Funds and their shareholders. The Board reviewed information from Dodge & Cox describing conflicts of interest between the Existing Funds and Dodge & Cox or its other clients, and how Dodge & Cox addresses those conflicts. The Board noted Dodge & Cox's record of favorable press and industry coverage, as well as its good compliance record, and its reputation as a trusted, shareholder-friendly mutual fund family. In addition, the Board considered that Dodge & Cox at the time managed approximately \$191 billion in Existing Funds assets (as of August 31, 2020), with fewer professionals than most comparable funds, and that on average these professionals have more experience and longer tenure than investment professionals at comparable funds. The Board also noted that Dodge & Cox is an investment research-oriented firm with no other business endeavors to distract management's attention from its research efforts. The Board further considered the "Gold" analyst rating awarded by Morningstar to all of the Existing Funds (other than the Balanced Fund, which had a "Silver" rating as of the Meeting). The Board concluded that it was satisfied with the nature, extent, and quality of investment management and other services to be provided to the EM Fund by Dodge & Cox.

### Investment Performance

The Board did not review specific EM Fund performance information because the EM Fund had not yet commenced operations. The Board noted that the performance of the Existing Funds is the result of a team-oriented investment management process that emphasizes a long-term investment horizon, independence, comprehensive research, price discipline, and focus. The Board also noted Dodge & Cox's success in managing international mandates. The Board concluded that the proposed strategy for the EM Fund is consistent with Dodge & Cox's long-term investment approach.

## Costs and Ancillary Benefits

**Costs of Services to Funds: Fees and Expenses** The Board considered the EM Fund's proposed management fee rate and anticipated net expense ratio relative to (1) a broad category of other actively managed, diversified emerging markets equity mutual funds with similar share class and expense structures and (2) a smaller group of peers selected by Broadridge based on investment style, share class characteristics, and asset levels. The Board also considered that Dodge & Cox has agreed to reimburse the EM Fund for all ordinary expenses to the extent necessary to maintain a total expense ratio of 0.70% until at least April 30, 2022. The Board also evaluated the operating structures of the EM Fund and Dodge & Cox, noting that the EM Fund would not charge front-end sales commissions or distribution fees, and Dodge & Cox would bear, among other things, the cost of most third-party research, and administrative and office overhead. The Board noted the EM Fund's unusual single-share-class structure and reviewed Broadridge data (including asset-weighted average expense ratios) of other funds with similar emerging markets equity mandates and noted that the EM Fund will be below the peer group median with respect to net expense ratios and management fee rates. The Board noted the additional costs that Dodge & Cox would incur as a result of investing in an emerging markets equity mandate. The Board concluded that the EM Fund's expected costs for the services it will receive (including the management fee to be paid to Dodge & Cox) are reasonable.

**Profitability and Costs of Services to Dodge & Cox; "Fall-out" Benefits** The Board noted that at the December 2019 meeting, it reviewed reports of Dodge & Cox's financial position, profitability, and estimated overall value and considered Dodge & Cox's overall profitability within its context as a private, employee-owned S-Corporation and relative to the scope and quality of the services provided to the Existing Funds. The Board noted in particular that Dodge & Cox's profits are not generated by high fee rates, but reflect a focused business approach toward investment management. The Board recognized the importance of Dodge & Cox's profitability—which is derived solely from management fees and does not include other business ventures—to maintain its independence, stability, company culture and ethics, and management continuity. The Board also considered that the compensation/profit structure at Dodge & Cox includes a return on shareholder employees' investment in the firm, which is vital for remaining independent and facilitating retention of management and investment professionals. The Board also considered that Dodge & Cox has in the past closed some of the Existing Funds to new investors to proactively manage growth in those Existing Funds. While these actions were intended to benefit existing shareholders of the affected Funds, the effect was to reduce potential revenues to Dodge & Cox from new shareholders. The Board also considered potential "fall-out" benefits (including the receipt of research from unaffiliated brokers and reputational benefits to non-U.S. funds sponsored and managed by Dodge & Cox) that Dodge & Cox might receive as a result of its association with the EM Fund and determined that they are acceptable. The Board also noted that Dodge & Cox continues to invest in its business to provide enhanced services, systems, and research capabilities, many of which would benefit the EM Fund. The Board concluded that Dodge & Cox's profitability is the keystone of its independence, stability, and long-term investment performance and that the

profitability of Dodge & Cox's relationship with the EM Fund (including fall-out benefits) would be fair and reasonable when the EM Fund commences operations.

## Economies of Scale

The Board considered that, because the EM Fund had not commenced operations, there were no economies of scale to share with shareholders. However, the Board noted the extent to which economies of scale would be realized as the EM Fund grows and whether the proposed fee levels reflect these economies of scale for the benefit of the EM Fund's investors. The Board considered the time and resources that Dodge & Cox invested prior to the EM Fund's launch; in addition, in the early periods of operations, Dodge & Cox has agreed to cap the EM Fund's expenses, which means that Dodge & Cox will subsidize the EM Fund's operations for a period of time, at least until April 30, 2022. The Board considered whether the management fee rate is reasonable in relation to the EM Fund's anticipated assets and noted that the contractual management fee upon inception was set as if the Fund had already reached its anticipated scale. The Board noted that, from inception, EM Fund shareholders would have access to high quality investment management at a relatively low cost. The Board considered that Dodge & Cox has shared the benefits of economies of scale with the Existing Funds by adding services to those Funds over time, and that Dodge & Cox's internal costs of providing investment management, technology, administrative, legal, and compliance services to the Existing Funds continue to increase. For example, Dodge & Cox has increased its global research staff and investment resources over the years to add new capabilities for the benefit of Existing Fund shareholders and to address the increased complexity of investing globally. Over the last ten years, Dodge & Cox has increased its spending on research, investment management, client servicing, cybersecurity, technology, third-party research, data services, and computer systems for trading, operations, compliance, accounting, and communications at a rate that has outpaced the Existing Funds' growth rate during the same period. The EM Fund will benefit from many of the service enhancements made by Dodge & Cox for the Existing Funds. The Board also noted that because Dodge & Cox has agreed to a voluntary fee reimbursement arrangement, the EM Fund's net total expenses will be considerably less than its actual expenses. The Board concluded that the proposed Dodge & Cox fee structure for the EM Fund is fair and reasonable and adequately reflects the potential for economies of scale.

## Conclusion

Based on their evaluation of all material factors and assisted by the advice of independent legal counsel to the Independent Trustees, the Board, including the Independent Trustees, concluded that the proposed management fee structure for the EM Fund was fair and reasonable, that the EM Fund was paying a competitive fee for the services provided, that Dodge & Cox's services are anticipated to provide substantial value for EM Fund shareholders over the long

term, and that approval of the Agreement is in the best interests of the EM Fund and its shareholders.

## Fund Holdings

The Fund provides a complete list of its holdings on a quarterly basis by filing the lists with the SEC on Form N-CSR (as of the end of the second and fourth quarters) and on Part F of Form N-PORT (as of the end of the first and third quarters). Shareholders may view the Fund's Forms N-CSR and Part F of N-PORT on the SEC's website at [sec.gov](http://sec.gov). A list of the Fund's quarter-end holdings is also available at [dodgeandcox.com](http://dodgeandcox.com) on or about the 15th day following each quarter end and remains available on the website until the list is updated for the subsequent quarter.

## Proxy Voting

For a free copy of the Fund's proxy voting policies and procedures, please call 800-621-3979, visit the Fund's website at [dodgeandcox.com](http://dodgeandcox.com), or visit the SEC's website at [sec.gov](http://sec.gov). Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is also available at [dodgeandcox.com](http://dodgeandcox.com) or shareholders may view the Fund's Form N-PX at [sec.gov](http://sec.gov).

## Household Mailings

The Fund routinely mails shareholder reports and summary prospectuses to shareholders and, on occasion, proxy statements. In order to reduce the volume of mail, when possible, only one copy of these documents will be sent to shareholders who are part of the same family and share the same residential address.

If you have a direct account with the Funds and you do not want the mailing of shareholder reports and summary prospectuses combined with other members in your household, contact the Funds at 800-621-3979. Your request will be implemented within 30 days.

# Emerging Markets Stock Fund

[dodgeandcox.com](http://dodgeandcox.com)

For Fund literature, transactions, and account information, please visit the Funds' website.

or write or call:

## **Dodge & Cox Funds**

c/o DST Asset Manager Solutions, Inc.  
P.O. Box 219502  
Kansas City, Missouri 64121-9502  
(800) 621-3979

## **Investment Manager**

Dodge & Cox  
555 California Street, 40th Floor  
San Francisco, California 94104  
(415) 981-1710

**This report is submitted for the general information of the shareholders of the Fund. The report is not authorized for distribution to prospective investors in the Fund unless it is accompanied by a current prospectus.**

**This report reflects our views, opinions, and portfolio holdings as of June 30, 2021, the end of the reporting period. Any such views are subject to change at any time based upon market or other conditions and Dodge & Cox disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Dodge & Cox Fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Dodge & Cox Fund.**