2017

Annual Report
December 31, 2017

International Stock Fund

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The Dodge & Cox International Stock Fund had a total return of 23.9% for the year ended December 31, 2017, compared to a return of 25.0% for the MSCI EAFE (Europe, Australasia, Far East) Index.

MARKET COMMENTARY

Global equity markets delivered exceptionally strong performance in 2017. Every sector of the MSCI EAFE posted double-digit positive returns. Information Technology (up 39%) and Materials (up 34%) were the best-performing sectors of the MSCI EAFE, while the worst performers—Telecommunication Services (up 13%) and Health Care (up 17%)—still registered substantial gains.

Over the past decade, U.S. equity markets largely outperformed international markets because of higher U.S. corporate earnings growth, valuation expansion, and U.S. dollar appreciation that diminished international returns as measured in U.S. dollars. However, this trend reversed in 2017, as international equities outperformed U.S. markets: the MSCI Emerging Markets Index was up 37% and the MSCI EAFE increased 25%, while the S&P 500 Index rose nearly 22%. International equities benefited recently from increased earnings growth and a weaker U.S. dollar.

The valuation differential between U.S. equities and international markets continues to be wide. At year end, the MSCI EAFE traded at 15 times forward estimated earnings and the MSCI Emerging Markets traded at 13 times, compared to 20 times for the S&P 500.[a]

INVESTMENT STRATEGY: FINDING OPPORTUNITIES IN HEALTH CARE AND ENERGY

Dodge & Cox employs a long-term, valuation-oriented investment approach. We analyze each company using a three- to five-year time horizon. We concentrate our research on how a company's fundamentals—the strength of the business franchise, its growth prospects, competitive positioning, and earnings power—could evolve over time. We then compare those fundamentals to the current valuation to identify potential price disparities.

Experience has taught us that share prices fluctuate more in the short term than underlying fundamentals. Those fluctuations provide us the opportunity to buy, sell, and adjust individual portfolio holdings. During 2017, we shifted away from areas of the market that performed very well and where valuations expanded, trimming selected holdings in the Financials and Information Technology sectors, as well as in Japan. We also reduced the Fund's weighting in Chinese internet holdings, which were highlighted in our last letter for their excellent growth prospects. Our view of their fundamentals has not changed, but rising valuations led us to trim Tencent (through Naspers), JD.com, and Baidu; in addition, we sold 58.com.[b] We reinvested most of the proceeds into the Health Care and Energy sectors, where valuations are more appealing.

Health Care

Pharmaceutical companies, which comprise the majority of the investable Health Care sector, are an attractive area of the international market at 16 times forward earnings. Many of these companies are stable businesses with strong balance sheets and have growth potential from both new discoveries and expansion into emerging markets. In comparison, Consumer Staples, a large underweight for the Fund, has some similar characteristics yet trades at 20 times forward earnings.

The Pharmaceuticals industry does face some challenges. For many companies, the United States is the largest market by revenue and earnings. As a result of industry consolidation and higher market shares, U.S. pharmacy benefit managers continue to exert increased pricing pressure on drug manufacturers. We have incorporated these risks into our analysis, but we believe current valuations help mitigate the downside potential of these investments. During 2017, we added to all of the Fund's Health Care holdings. At year end, Health Care represented 15.5% of the Fund, compared to 10.1% for the MSCI EAFE.

GlaxoSmithKline

The Fund recently re-established a position in GlaxoSmithKline, after selling it in 2015. Based in the United Kingdom, the company has leading therapeutic franchises in respiratory care and HIV. In addition to its traditional pharmaceuticals business, the company is diversified through strong and growing businesses in vaccines and over-the-counter consumer health.

In 2015, we sold GlaxoSmithKline based on market headwinds and a higher valuation. The company's pharmaceuticals business was suffering from pricing pressure on a key respiratory drug, Advair, and the pipeline of new drug launches was weak. The valuation, at 20 times forward earnings, was relatively expensive and did not sufficiently compensate for the risks. Some of those risks, including continued weakness in Advair sales, materialized, and the valuation declined after we sold the position.

In the second half of 2017, however, we built a position in GlaxoSmithKline again based on a more favorable fundamental long-term outlook and a lower valuation (12 times forward earnings). In the respiratory care division, declines in Advair sales should be offset by new drugs, aided by a new inhaler. The HIV segment is growing at healthy rates due to increased adoption of Dolutegravir, a drug that blocks an enzyme needed for HIV to replicate. Combined with continued growth in vaccines and consumer health, the company should achieve modest earnings growth. Meanwhile, the management team has also been revamped. The new CEO is focusing on renewing the pharmaceutical pipeline and has brought in a well-regarded head of research and development to lead that effort. Improvements in the drug pipeline will take time to manifest, but in the meantime, the company continues to generate stable cash flow and has an attractive 6% dividend yield. On December 31, GlaxoSmithKline was a 1.9% position in the Fund.

Energy

We discussed Energy in our last letter, noting that it was the worst-performing sector in the first half of 2017. Oil prices declined 16% in the first half but rebounded 40% in the second half. Unfortunately, the Fund's holdings underperformed those in the MSCI EAFE Energy sector for the year. Specifically, our overweight in the Energy Equipment & Services (Oil Services) industry (2.7% compared to 0.1% for the MSCI EAFE) hurt performance, as Oil Services was down 23% compared to the overall Energy sector up 22%.

The Fund's largest investment in Oil Services is Schlumberger (a 2.1% position), which is the industry's leading global player. As highlighted in our last letter, the stock price declined 22% in the first half, and we added to the position during the second quarter. The shares have remained weak—up only 4% in the second half—because a recovery in its international markets has not yet materialized. Since the current industry downturn started in 2014, the management team has done a remarkable job strengthening its business franchise through organic investments and selected acquisitions. We believe Schlumberger should benefit directly as higher oil prices spur producers to ramp up their investment in exploration and production.

We maintain our long-term view that Energy is an attractive area of the market. Demand growth continues to be substantial, and the dearth of investment in new supply over the past few years generates conditions that are supportive of higher oil prices in the longer term. We conduct ongoing research to test this thesis and recently met with industry executives and experts in Houston and the Middle East. One topic we focused on was U.S. shale oil, whose growth has surprised and disrupted the oil markets. Production of shale oil in the United States has increased to six million barrels a day from virtually nothing a decade ago, out of a global total of 98 million barrels a day. The key growth driver is the prodigious Permian Basin in Texas and New Mexico, which has altered the global cost curve because it can be economically viable at low oil prices. Our recent meetings reaffirmed that development costs are rising with more activity in the basin and that other global sources of new supply are likely needed to satisfy demand. Our research also reinforced the importance of investing in oil producers, such as Suncor Energy, whose assets are on the low end of the cost curve and whose management teams are investing counter-cyclically.

Suncor Energy

Suncor, a 1.9% position, is an integrated Canadian oil producer with most of its production coming from mining oil sands. We initially purchased the stock in the summer of 2016, as we viewed the valuation to be attractive relative to the business prospects. Oil sands require large upfront capital expenditures but can produce for decades at relatively low ongoing costs. Suncor's assets generate free cash flow across a wide range of oil prices. These characteristics, along with Suncor's strong balance sheet, provide the company staying power through the oil cycle. In addition, Suncor's management has a track record of counter-cyclical capital allocation. When oil prices were high, management was disciplined and returned capital to shareholders through dividends and share buybacks. When oil prices declined, management opportunistically increased its ownership stake in a major oil sands asset called Syncrude. We added to our position in 2017 and view the company as offering a compelling combination of growth, resilience, and return of capital to shareholders.

Altice

Investing too early is a risk in implementing our value-oriented investment strategy. We may be attracted to a company because of its low valuation and the prospect of improving fundamentals, but we may inaccurately gauge the path and time needed to bring about that change in fundamentals. A case in point is Altice, which significantly detracted from performance in 2017.

Altice is a cable and telecommunications operator with major assets in Western Europe and the United States. Through a series of levered acquisitions, the company owns the second largest telecom company in France (SFR), U.S. cable operators Cablevision and Suddenlink, and the incumbent telecom company in Portugal (Portugal Telecom). Altice is led by founder Patrick Drahi, who established a reputation for successfully consolidating the French cable market and improving profitability by re-engineering the cost structure of those businesses. We first bought Altice in early 2016. The valuation had declined due to skepticism about its recently announced Cablevision acquisition and high customer churn at SFR. We thought that was a good entry point given the significant opportunity to cut costs and improve operations at the recently acquired businesses.

Through the second quarter of 2017, the stock had appreciated 80% since our initial purchase. However, the company then reported disappointing third quarter results, with deteriorating revenue trends in France, Portugal, and U.S.-based Suddenlink. Because the company has high financial leverage, the impact on the stock was substantial—it was down 44% between the release of third quarter results and year end.

In these situations, we are careful not to be knee-jerk sellers or buyers. We concentrate our efforts on retesting the assumptions underlying our thesis. For Altice, management's ability to improve revenue trends and cut costs is critical. Mr. Drahi responded by replacing the CEO at SFR with an executive who has an accomplished record of operational turnarounds and has been at Altice since its founding. While the competitive environment is intense, we believe the issues facing Altice can be fixed by the new management team. We also re-examined the company's financial leverage with the help of our fixed income team and remain comfortable with the debt structure and maturity schedule. At the now lower valuation, we think Altice is very attractive. The U.S. cable operations are performing well, and we can attribute most of the company's valuation to the stake in Altice USA, meaning we are paying little for the rest of the company. Based on these factors, we decided to add to the Fund's position in Altice (0.8% on December 31).

IN CLOSING

Overall, we remain optimistic about the long-term outlook for the portfolio. International valuations are reasonable, and we see attractive earnings prospects for companies in the Fund. We believe a single quarter or year's performance is too short of an interval to evaluate our strategy. Our active, bottom-up, value-oriented investment approach requires conviction and patience. Accordingly, maintaining a long-term investment horizon and staying the course are essential.

We thank our fellow shareholders for your continued confidence in Dodge & Cox. As always, we welcome your comments and questions.

For the Board of Trustees,

Charles F. Pohl,
Chairman

Dana M. Emery,
President

January 30, 2018

(a) Unless otherwise specified, all weightings and characteristics are as of December 31, 2017.

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

ANNUAL PERFORMANCE REVIEW

The Fund underperformed the MSCI EAFE by 1.1 percentage points in 2017.

Key Detractors from Relative Results

- Weak returns from the Fund's holdings in the Energy sector (up 1% compared to up 22% for the MSCI EAFE sector) hurt performance results, especially Schlumberger (down 17%).
- The Fund's underweight position in Industrials, one of the strongest sectors of the market, and selection of holdings (up 22% compared to up 30% for the MSCI EAFE sector) hindered results. Johnson Controls International (down 6%) performed poorly.
- Additional detractors included Altice (down 47%), Magnit (down 38%), Grupo Televisa (down 10%), and Barclays (up 1%).

Key Contributors to Relative Results

- Strong returns from the Fund's holdings in emerging markets (up 42%) contributed significantly, especially in the Information Technology, Consumer Discretionary, and Financials sectors. Samsung Electronics (up 61%), Kasikornbank (up 51%), ICICI Bank (up 45%), and the Fund's Chinese internet-related holdings—Naspers (up 90%), JD.com (up 63%), and Baidu (up 42%)—were particularly notable.
- The Fund's holdings in Japan (up 37% compared to up 24% for the MSCI EAFE region) helped results. Nintendo (up 77%) performed strongly.
- Within the Telecommunication Services sector, the Fund's holdings outperformed (up 43% compared to up 13% for the MSCI EAFE sector). Millicom International Cellular (up 64%) performed exceptionally well.

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 85 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 International Equity Investment Committee, which is the decision-making body for the International Stock Fund, is an eight-member committee with an average tenure at Dodge & Cox of 23 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.

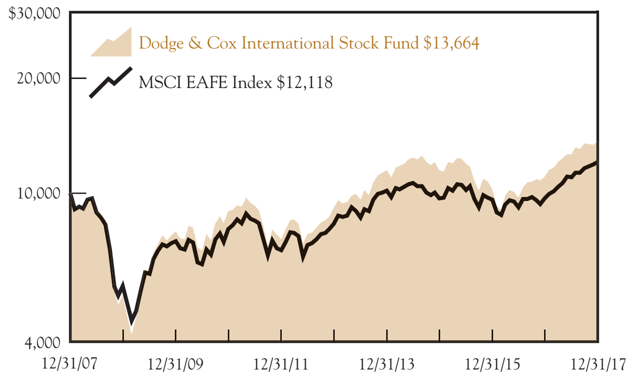
Long-Term Focus and Low Expenses

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.

GROWTH OF $10,000 OVER 10 YEARS

FOR AN INVESTMENT MADE ON DECEMBER 31, 2007



AVERAGE ANNUAL TOTAL RETURN

FOR PERIODS ENDED DECEMBER 31, 2017

	1 Year	3 Years	5 Years	10 Years
Dodge & Cox International Stock Fund	23.94%	5.96%	8.50%	3.17%
MSCI EAFE Index	25.03	7.80	7.90	1.94

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 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 EAFE (Europe, Australasia, Far East) Index is a broad-based, unmanaged equity market index aggregated from 21 developed market country indices, excluding the United States and Canada. 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 EAFE 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 six months 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.

Six Months Ended December 31, 2017	Beginning Account Value 7/1/2017	Ending Account Value 12/31/2017	Expenses Paid During Period*
Based on Actual Fund Return	$1,000.00	$1,082.40	$3.32
Based on Hypothetical 5% Yearly Return	1,000.00	1,022.02	3.22

* Expenses are equal to the Fund's annualized expense ratio of 0.63%, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year 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).

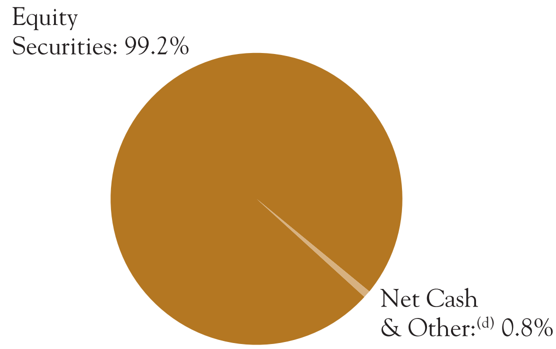
GENERAL INFORMATION

Net Asset Value Per Share	$46.32
Total Net Assets (billions)	$65.7
2016 Expense Ratio (per 5/1/17 Prospectus)	0.64%
2017 Expense Ratio	0.63%
Portfolio Turnover Rate	17%
30-Day SEC Yield[a]	1.63%
Number of Companies	69
Fund Inception	2001

No sales charges or distribution fees

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

ASSET ALLOCATION



PORTFOLIO CHARACTERISTICS

	Fund	MSCI EAFE
Median Market Capitalization (billions)	**$36**	$11
Weighted Average Market Capitalization (billions)	**$72**	$60
Price-to-Earnings Ratio[b]	**14.2x**	14.9x
Countries Represented	**25**	21
Emerging Markets (Brazil, China, India, Mexico, Russia, South Africa, South Korea, Thailand, Turkey, United Arab Emirates)	**26.1%**	0.0%

REGION DIVERSIFICATION (%)[e]

	Fund	MSCI EAFE
Europe (excluding United Kingdom)	**41.6**	45.7
United Kingdom	**15.1**	17.8
Pacific (excluding Japan)	**12.5**	12.0
Japan	**10.4**	24.0
Latin America	**7.0**	0.0
Africa	**5.8**	0.0
United States	**3.6**	0.0
Canada	**2.9**	0.0
Middle East	**0.3**	0.5

TEN LARGEST HOLDINGS (%)[c]

	Fund
Naspers, Ltd. *(South Africa)*	**4.1**
Samsung Electronics Co., Ltd. *(South Korea)*	**3.9**
Sanofi *(France)*	**3.3**
Novartis AG *(Switzerland)*	**3.1**
ICICI Bank, Ltd. *(India)*	**2.9**
Liberty Global PLC *(United Kingdom)*	**2.6**
Itau Unibanco Holding SA *(Brazil)*	**2.5**
BNP Paribas SA *(France)*	**2.3**
Barclays PLC *(United Kingdom)*	**2.3**
Honda Motor Co., Ltd. *(Japan)*	**2.2**

SECTOR DIVERSIFICATION (%)

	Fund	MSCI EAFE
Financials	**28.1**	21.2
Consumer Discretionary	**15.9**	12.3
Health Care	**15.5**	10.1
Information Technology	**12.3**	6.4
Energy	**7.7**	5.3
Industrials	**7.3**	14.6
Materials	**6.1**	8.2
Telecommunication Services	**3.3**	3.9
Utilities	**1.3**	3.2
Consumer Staples	**1.1**	11.2
Real Estate	**0.6**	3.6

[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] Price-to-earnings (P/E) ratios are calculated using 12-month forward earnings estimates from third-party sources.

[c] 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.

[d] Net Cash & Other includes cash, short-term investments, derivatives, receivables, and payables.

[e] The Fund may classify a company in a different category than the MSCI EAFE. The Fund generally classifies a company based on its country of incorporation, but may designate a different country in certain circumstances.

COMMON STOCKS: 93.3%

	SHARES	VALUE
CONSUMER DISCRETIONARY: 15.9%		
AUTOMOBILES & COMPONENTS: 4.9%		
Bayerische Motoren Werke AG (Germany)	10,324,500	$ 1,072,432,175
Honda Motor Co., Ltd. (Japan)	42,473,755	1,456,234,405
NGK Spark Plug Co., Ltd. (Japan)	5,104,300	124,122,982
Yamaha Motor Co., Ltd.[b] (Japan)	16,675,000	546,017,896
		3,198,807,458
CONSUMER DURABLES & APPAREL: 0.3%		
Panasonic Corp. (Japan)	15,254,500	223,394,307
MEDIA: 9.2%		
Altice NV, Series A[a] (Netherlands)	52,798,574	552,327,788
Grupo Televisa SAB ADR (Mexico)	39,600,880	739,348,430
Liberty Global PLC LiLAC, Series A[a][b] (United Kingdom)	3,917,037	78,928,296
Liberty Global PLC LiLAC, Series C[a] (United Kingdom)	5,535,198	110,095,088
Liberty Global PLC, Series A[a][b] (United Kingdom)	18,753,503	672,125,548
Liberty Global PLC, Series C[a] (United Kingdom)	30,105,754	1,018,778,715
Naspers, Ltd. (South Africa)	9,642,895	2,686,793,805
Television Broadcasts, Ltd.[b] (Hong Kong)	40,022,900	144,268,630
		6,002,666,300
RETAILING: 1.5%		
JD.com, Inc. ADR[a] (Cayman Islands/China)	23,580,736	976,714,085
		10,401,582,150
CONSUMER STAPLES: 1.1%		
FOOD & STAPLES RETAILING: 0.9%		
Magnit PJSC (Russia)[b]	5,432,785	597,110,661
FOOD, BEVERAGE & TOBACCO: 0.2%		
Anadolu Efes Biracilik ve Malt Sanayii AS (Turkey)	14,795,994	94,547,916
		691,658,577
ENERGY: 5.9%		
Saipem SPA[a][b] (Italy)	56,980,627	260,124,666
Schlumberger, Ltd. (Curacao/United States)	20,797,324	1,401,531,664
Statoil ASA (Norway)	37,189,350	795,557,740
Suncor Energy, Inc. (Canada)	34,660,400	1,272,729,888
Weatherford International PLC[a] (Ireland)	34,997,592	145,939,959
		3,875,883,917
FINANCIALS: 25.6%		
BANKS: 19.0%		
Axis Bank, Ltd. (India)	37,106,383	327,075,975
Banco Santander SA (Spain)	134,924,095	884,745,215
Barclays PLC (United Kingdom)	548,445,300	1,495,398,284
BNP Paribas SA (France)	20,503,458	1,529,022,358
ICICI Bank, Ltd.[b] (India)	384,183,576	1,885,312,473
Kasikornbank PCL- Foreign[b] (Thailand)	132,832,727	970,823,730
Lloyds Banking Group PLC (United Kingdom)	1,034,259,000	947,066,036
Mitsubishi UFJ Financial Group, Inc. (Japan)	118,482,900	869,356,176
Societe Generale SA (France)	17,567,542	905,741,062
Standard Chartered PLC[a] (United Kingdom)	132,528,813	1,394,651,493
UniCredit SPA[a] (Italy)	67,921,603	1,265,331,223
		12,474,524,025

	SHARES	VALUE
DIVERSIFIED FINANCIALS: 4.1%		
Credit Suisse Group AG (Switzerland)	64,979,908	$ 1,156,661,901
Haci Omer Sabanci Holding AS (Turkey)	47,323,154	138,818,181
UBS Group AG (Switzerland)	74,961,827	1,377,364,202
		2,672,844,284
INSURANCE: 2.5%		
AEGON NV[b] (Netherlands)	134,755,530	858,832,503
Aviva PLC (United Kingdom)	118,509,527	809,898,144
		1,668,730,647
		16,816,098,956
HEALTH CARE: 15.5%		
HEALTH CARE EQUIPMENT & SERVICES: 1.1%		
Koninklijke Philips NV (Netherlands)	20,106,551	760,658,989
PHARMACEUTICALS, BIOTECHNOLOGY & LIFE SCIENCES: 14.4%		
AstraZeneca PLC (United Kingdom)	17,773,800	1,219,691,647
Bayer AG (Germany)	11,119,650	1,383,006,852
GlaxoSmithKline PLC (United Kingdom)	71,221,100	1,259,747,883
Novartis AG (Switzerland)	13,123,070	1,109,447,286
Novartis AG ADR (Switzerland)	11,028,500	925,952,860
Roche Holding AG (Switzerland)	5,377,100	1,360,101,018
Sanofi (France)	25,382,122	2,185,491,191
		9,443,438,737
		10,204,097,726
INDUSTRIALS: 7.3%		
CAPITAL GOODS: 7.0%		
Johnson Controls International PLC (Ireland)	30,934,775	1,178,924,275
Mitsubishi Electric Corp. (Japan)	79,695,800	1,324,206,617
Nidec Corp. (Japan)	5,156,700	723,864,424
Schneider Electric SA (France)	12,185,546	1,033,470,152
Smiths Group PLC (United Kingdom)	17,295,000	345,989,130
		4,606,454,598
TRANSPORTATION: 0.3%		
DP World, Ltd. (United Arab Emirates)	8,256,304	206,556,007
		4,813,010,605
INFORMATION TECHNOLOGY: 10.7%		
SOFTWARE & SERVICES: 2.8%		
Baidu, Inc. ADR[a] (Cayman Islands/China)	4,106,987	961,897,425
Micro Focus International PLC (United Kingdom)	2,994,300	101,620,536
Micro Focus International PLC ADR (United Kingdom)	12,527,673	420,804,536
Nintendo Co., Ltd. (Japan)	948,430	345,277,811
		1,829,600,308
TECHNOLOGY, HARDWARE & EQUIPMENT: 7.9%		
Brother Industries, Ltd. (Japan)	9,224,000	227,676,858
Hewlett Packard Enterprise Co. (United States)	67,880,984	974,770,930
Kyocera Corp. (Japan)	15,085,900	985,727,421
Samsung Electronics Co., Ltd. (South Korea)	625,427	1,485,904,884
TE Connectivity, Ltd. (Switzerland)	7,976,962	758,130,468
Telefonaktiebolaget LM Ericsson (Sweden)	115,264,300	755,588,575
		5,187,799,136
		7,017,399,444
MATERIALS: 6.1%		
Agrium, Inc. (Canada)	5,455,226	627,350,990
Akzo Nobel NV (Netherlands)	7,432,535	650,120,012
Cemex SAB de CV ADR (Mexico)	83,741,608	628,062,060
LafargeHolcim, Ltd. (Switzerland)	11,930,483	672,186,001
Linde AG (Germany)	6,087,637	1,424,121,861
		4,001,840,924

See accompanying Notes to Consolidated Financial Statements

COMMON STOCKS (continued)

	SHARES	VALUE
REAL ESTATE: 0.6%		
Hang Lung Group, Ltd.[b] (Hong Kong)	111,345,400	$ 409,619,216
TELECOMMUNICATION SERVICES: 3.3%		
America Movil SAB de CV, Series L (Mexico)	505,100,600	435,163,594
Millicom International Cellular SA SDR[b] (Luxembourg)	8,703,436	587,578,809
MTN Group, Ltd.[b] (South Africa)	102,215,380	1,129,848,850
		2,152,591,253
UTILITIES: 1.3%		
Engie (France)	50,103,500	860,847,454
TOTAL COMMON STOCKS (Cost $53,448,223,491)		**$61,244,630,222**

PREFERRED STOCKS: 5.9%

	SHARES	VALUE
ENERGY: 1.8%		
Petroleo Brasileiro SA[a] (Brazil)	235,671,000	1,152,672,680
FINANCIALS: 2.5%		
BANKS: 2.5%		
Itau Unibanco Holding SA (Brazil)	127,745,601	1,654,425,418
INFORMATION TECHNOLOGY: 1.6%		
TECHNOLOGY, HARDWARE & EQUIPMENT: 1.6%		
Samsung Electronics Co., Ltd. (South Korea)	548,216	1,068,699,568
TOTAL PREFERRED STOCKS (Cost $3,097,108,119)		**$ 3,875,797,666**

SHORT-TERM INVESTMENTS: 1.0%

	SHARES/ PAR VALUE	VALUE
REPURCHASE AGREEMENT: 0.9%		
Fixed Income Clearing Corporation[c] 0.80%, dated 12/29/17, due 1/2/18, maturity value $587,131,185	$ 587,079,000	$ 587,079,000
MONEY MARKET FUND: 0.1%		
State Street Institutional Treasury Plus Money Market Fund	65,666,651	65,666,651
TOTAL SHORT-TERM INVESTMENTS (Cost $652,745,651)		**$ 652,745,651**
TOTAL INVESTMENTS (Cost $57,198,077,261)	100.2%	**$65,773,173,539**
OTHER ASSETS LESS LIABILITIES	(0.2%)	(102,910,217)
NET ASSETS	100.0%	$65,670,263,322

(a) Non-income producing

(b) See Note 9 regarding holdings of 5% voting securities

(c) Repurchase agreement is collateralized by U.S. Treasury Notes 1.875%-2.125%, 4/30/22 - 6/30/22 and Federal Home Loan Bank 0.875%, 10/1/18. Total collateral value is $598,827,108.

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 Depository Receipt

 See accompanying Notes to Consolidated Financial Statements

FUTURES CONTRACTS

Description	Number of Contracts	Expiration Date	Notional Amount	Value / Unrealized Appreciation (Depreciation)
Euro Stoxx 50 Index—Long Position	6,002	Mar 2018	$251,548,238	$(3,935,473)
Yen Denominated Nikkei 225 Index—Long Position	1,808	Mar 2018	182,123,807	1,989,799
				$(1,945,674)

CURRENCY FORWARD CONTRACTS

Counterparty	Settle Date	Contract Amount: Receive U.S. Dollar	Contract Amount: Deliver Foreign Currency	Unrealized Appreciation (Depreciation)
Contracts to sell CHF:				
Citibank	1/24/18	179,151,775	173,225,434	$ 1,137,032
Citibank	1/24/18	93,537,227	90,443,016	593,658
Citibank	1/24/18	77,236,535	74,681,550	490,201
Goldman Sachs	1/24/18	92,149,917	89,093,120	593,565
Goldman Sachs	1/24/18	176,494,660	170,639,979	1,136,854
Goldman Sachs	1/24/18	76,090,990	73,566,900	490,125
Goldman Sachs	1/24/18	179,077,693	173,225,434	1,062,950
Goldman Sachs	1/24/18	77,204,596	74,681,550	458,263
Goldman Sachs	1/24/18	93,498,550	90,443,017	554,979
Citibank	1/31/18	17,855,411	17,499,999	(137,226)
Citibank	1/31/18	17,855,412	17,500,000	(137,227)
Citibank	1/31/18	226,967,794	222,450,000	(1,744,344)
Citibank	1/31/18	51,066,478	50,050,000	(392,468)
Citibank	1/31/18	17,869,907	17,500,000	(122,731)
Citibank	1/31/18	17,869,908	17,500,001	(122,731)
Citibank	1/31/18	51,107,934	50,050,000	(351,012)
Citibank	1/31/18	227,152,047	222,450,000	(1,560,091)
Goldman Sachs	2/14/18	141,538,524	140,000,000	(2,545,327)
UBS	3/14/18	142,215,865	140,000,000	(2,167,468)
Contracts to sell CNH:				
Citibank	1/10/18	43,446,075	307,228,920	(3,707,831)
HSBC	1/10/18	43,449,147	307,228,920	(3,704,759)
HSBC	1/10/18	86,862,670	614,457,840	(7,445,143)
JPMorgan	1/10/18	43,443,003	307,228,920	(3,710,903)
JPMorgan	1/10/18	43,461,440	307,228,920	(3,692,466)
JPMorgan	1/10/18	43,449,147	307,228,920	(3,704,759)
JPMorgan	1/10/18	43,452,220	307,228,920	(3,701,687)
JPMorgan	1/10/18	43,461,440	307,228,920	(3,692,466)
JPMorgan	1/10/18	43,455,293	307,228,920	(3,698,614)
Citibank	1/24/18	85,079,297	601,765,866	(7,213,795)
Citibank	1/24/18	88,991,029	629,923,000	(7,620,534)
Citibank	1/24/18	85,127,439	601,765,867	(7,165,653)
JPMorgan	1/24/18	44,495,515	314,961,500	(3,810,267)
JPMorgan	1/24/18	44,495,515	314,961,500	(3,810,267)
JPMorgan	1/24/18	85,055,246	601,765,867	(7,237,846)
Citibank	1/31/18	102,920,012	728,837,636	(8,821,759)
JPMorgan	1/31/18	376,020,262	2,657,523,200	(31,418,013)
JPMorgan	1/31/18	145,333,865	1,027,830,164	(12,247,957)
JPMorgan	1/31/18	98,291,639	695,364,200	(8,318,151)
Citibank	2/7/18	76,674,965	542,168,675	$ (6,416,111)
Citibank	2/7/18	76,664,123	542,168,675	(6,426,953)
Citibank	2/7/18	31,943,386	225,903,625	(2,677,897)
Citibank	2/7/18	32,043,067	225,903,625	(2,578,216)
Citibank	2/7/18	76,859,750	542,168,675	(6,231,326)
Citibank	2/7/18	32,024,897	225,903,625	(2,596,386)
Citibank	2/7/18	31,947,903	225,903,625	(2,673,380)
Citibank	2/7/18	76,903,358	542,168,675	(6,187,718)
Bank of America	5/16/18	47,078,342	332,792,093	(3,638,575)
Bank of America	5/16/18	47,057,706	332,792,094	(3,659,212)
Goldman Sachs	5/16/18	47,262,899	334,120,337	(3,656,440)
Goldman Sachs	5/16/18	47,067,286	332,742,176	(3,642,024)
Goldman Sachs	5/16/18	47,266,893	334,153,300	(3,657,470)
Goldman Sachs	5/16/18	47,150,332	333,400,000	(3,659,229)
Bank of America	6/13/18	28,571,429	200,000,000	(1,861,832)
Bank of America	6/13/18	28,577,552	200,000,000	(1,855,709)
Bank of America	8/1/18	50,833,132	349,350,697	(2,177,115)
Bank of America	8/1/18	73,321,899	503,904,752	(3,140,279)
JPMorgan	8/1/18	50,847,929	349,350,697	(2,162,318)
JPMorgan	8/1/18	50,829,434	349,350,699	(2,180,813)
JPMorgan	8/1/18	73,343,243	503,904,752	(3,118,935)
JPMorgan	8/1/18	73,332,570	503,904,752	(3,129,609)
JPMorgan	8/1/18	73,316,565	503,904,753	(3,145,613)
JPMorgan	8/1/18	50,840,529	349,350,698	(2,169,717)
Bank of America	8/8/18	116,911,358	804,525,512	(5,116,096)
Credit Suisse	8/8/18	116,941,947	804,525,513	(5,085,508)
Goldman Sachs	8/8/18	89,974,833	619,116,825	(3,930,518)
JPMorgan	8/8/18	89,968,295	619,116,825	(3,937,055)
JPMorgan	8/8/18	89,981,371	619,116,825	(3,923,979)
JPMorgan	8/15/18	369,751,221	2,527,249,599	(13,413,452)
UBS	8/15/18	136,768,981	936,730,749	(5,251,868)
UBS	8/15/18	35,528,421	243,334,152	(1,364,275)
Bank of America	8/29/18	90,004,449	606,900,000	(1,933,302)
Bank of America	8/29/18	88,082,902	595,000,000	(2,052,149)
Citibank	8/29/18	88,167,088	595,000,000	(1,967,963)
UBS	8/29/18	77,833,126	525,000,000	(1,697,801)
UBS	8/29/18	89,005,407	600,831,000	(2,012,967)
UBS	8/29/18	85,483,341	577,269,000	(1,965,685)
Contracts to sell EUR:				
Goldman Sachs	2/14/18	241,327,451	205,734,375	(6,120,019)
Goldman Sachs	2/14/18	403,825,299	344,265,625	(10,240,934)
Bank of America	3/14/18	534,287,250	450,000,000	(7,884,217)
Bank of America	3/14/18	534,422,250	450,000,000	(7,749,217)

Counterparty	Settle Date	Deliver U.S. Dollar	Receive Foreign Currency	Unrealized Appreciation (Depreciation)
Contracts to buy CNH:				
JPMorgan	1/10/18	138,965,211	921,686,760	2,496,509
				$(303,279,241)

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

CHF: Swiss Franc
CNH: Chinese Yuan Renminbi
EUR: Euro

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

	December 31, 2017
ASSETS:	
Investments in securities, at value	
Unaffiliated issuers (cost $48,873,308,892)	$58,178,600,157
Affiliated issuers (cost $8,324,768,369)	7,594,573,382
	65,773,173,539
Unrealized appreciation on currency forward contracts	9,014,136
Cash pledged as collateral for currency forward contracts	199,070,000
Cash	100
Cash denominated in foreign currency (cost $38,342,812)	38,733,121
Deposits with broker for futures contracts	24,068,977
Receivable for investments sold	57,087,658
Receivable for Fund shares sold	74,973,463
Dividends and interest receivable	136,798,512
Prepaid expenses and other assets	3,908,826
	66,316,828,332
LIABILITIES:	
Unrealized depreciation on currency forward contracts	312,293,377
Payable for variation margin for futures contracts	1,598,837
Payable for investments purchased	88,545,701
Payable for Fund shares redeemed	171,147,929
Deferred foreign capital gains tax	32,878,609
Management fees payable	33,003,222
Accrued expenses	7,097,335
	646,565,010
NET ASSETS	$65,670,263,322
NET ASSETS CONSIST OF:	
Paid in capital	$59,169,975,465
Distributions in excess of net investment income	(291,728,937)
Accumulated net realized loss	(1,447,727,463)
Net unrealized appreciation	8,239,744,257
	$65,670,263,322
Fund shares outstanding (par value $0.01 each, unlimited shares authorized)	1,417,794,549
Net asset value per share	$ 46.32

CONSOLIDATED STATEMENT OF OPERATIONS

	Year Ended December 31, 2017
INVESTMENT INCOME:	
Dividends (net of foreign taxes of $136,506,323)	
Unaffiliated issuers	$ 1,184,727,544
Affiliated issuers	171,854,208
Interest	3,692,809
	1,360,274,561
EXPENSES:	
Management fees	370,322,745
Custody and fund accounting fees	8,742,365
Transfer agent fees	8,246,820
Professional services	273,134
Shareholder reports	1,559,911
Registration fees	223,036
Trustees' fees	280,417
ADR depositary services fees	1,199,247
Miscellaneous	1,047,258
	391,894,933
NET INVESTMENT INCOME	968,379,628
REALIZED AND UNREALIZED GAIN (LOSS):	
Net realized gain (loss)	
Investments in securities of unaffiliated issuers	(337,628,283)
Investments in securities of affiliated issuers	(90,929,380)
Futures contracts	78,680,756
Currency forward contracts	(30,130,018)
Foreign currency transactions	8,561,476
Net change in unrealized appreciation/depreciation	
Investments in securities of unaffiliated issuers	11,198,204,562
Investments in securities of affiliated issuers (net of change in deferred foreign capital gains tax of $32,878,609)	1,702,269,703
Futures contracts	(1,945,674)
Currency forward contracts	(623,406,532)
Foreign currency translation	4,821,422
Net realized and unrealized gain	11,908,498,032
NET CHANGE IN NET ASSETS FROM OPERATIONS	$12,876,877,660

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

	Year Ended December 31, 2017	Year Ended December 31, 2016
OPERATIONS:		
Net investment income	$ 968,379,628	$ 1,135,439,749
Net realized gain (loss)	(371,445,449)	1,535,688,728
Net change in unrealized appreciation/depreciation	12,279,943,481	1,535,796,846
	12,876,877,660	4,206,925,323
DISTRIBUTIONS TO SHAREHOLDERS FROM:		
Net investment income	(1,246,064,935)	(1,185,247,471)
Net realized gain	—	(757,672,431)
Total distributions	(1,246,064,935)	(1,942,919,902)
FUND SHARE TRANSACTIONS:		
Proceeds from sale of shares	8,048,181,192	6,854,611,384
Reinvestment of distributions	1,054,276,376	1,655,896,889
Cost of shares redeemed	(9,249,656,015)	(13,616,468,513)
Net change from Fund share transactions	(147,198,447)	(5,105,960,240)
Total change in net assets	11,483,614,278	(2,841,954,819)
NET ASSETS:		
Beginning of year	54,186,649,044	57,028,603,863
End of year (including distributions in excess of net investment income of $(291,728,937) and $(33,914,059), respectively)	$65,670,263,322	$ 54,186,649,044
SHARE INFORMATION:		
Shares sold	184,640,901	194,723,459
Distributions reinvested	23,034,217	43,438,957
Shares redeemed	(212,133,063)	(379,146,976)
Net change in shares outstanding	(4,457,945)	(140,984,560)

See accompanying Notes to Consolidated Financial Statements

NOTE 1—ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Dodge & Cox International 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. On January 16, 2015, the Fund closed to new investors. The Fund commenced operations on May 1, 2001, and seeks long-term growth of principal and income. The Fund invests primarily in a diversified portfolio of foreign equity securities. 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 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 4:00 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. 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. Mutual funds are valued at their respective net asset values.

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 Pricing 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 is 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. In consideration of recent decisions rendered by European courts, the Fund has filed for additional reclaims related to prior years. A corresponding receivable is established when both the amount is known and significant contingencies or uncertainties regarding collectability are removed. These amounts, if any, are reported in "dividends and interest receivable" in the Consolidated Statement of Assets and Liabilities.

Capital gains taxes are incurred upon disposition of certain foreign securities. Expected capital gains taxes on appreciated securities, if any, are accrued as unrealized losses and incurred capital gains taxes are reflected as realized losses upon the sale of the related security. Currency taxes may be incurred when the Fund purchases certain foreign currencies related to securities transactions and are recorded as realized losses on foreign currency 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.

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 between the trade and settlement dates on securities transactions, the difference 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.

Consolidation The Fund may invest in certain securities through its wholly owned subsidiary, Dodge & Cox International Stock Fund Cayman, Ltd. (the "Subsidiary"). The Subsidiary is a Cayman Islands exempted company and invests in certain securities consistent with the investment objective of the Fund. The Fund's Consolidated Financial Statements, including the Consolidated Portfolio of Investments, consist of the holdings and accounts of the Fund and the Subsidiary. All intercompany transactions and balances have been eliminated. At December 31, 2017, the Subsidiary had net assets of $100, which represented less than 0.01% of the Fund's consolidated net assets.

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 December 31, 2017:

Classification[a]	LEVEL 1 (Quoted Prices)	LEVEL 2 (Other Significant Observable Inputs)
Securities		
Common Stocks		
Consumer Discretionary	$ 3,595,990,161	$ 6,805,591,989
Consumer Staples	—	691,658,577
Energy	2,820,201,511	1,055,682,406
Financials	—	16,816,098,956
Health Care	925,952,860	9,278,144,866
Industrials	1,178,924,275	3,634,086,330
Information Technology	3,115,603,360	3,901,796,084
Materials	1,255,413,050	2,746,427,874
Real Estate	—	409,619,216
Telecommunication Services	435,163,594	1,717,427,659
Utilities	—	860,847,454
Preferred Stocks		
Energy	—	1,152,672,680
Financials	—	1,654,425,418
Information Technology	—	1,068,699,568
Short-term Investments		
Repurchase Agreement	—	587,079,000
Money Market Fund	65,666,651	—
Total Securities	$13,392,915,462	$52,380,258,077
Other Investments		
Futures Contracts		
Appreciation	$ 1,989,799	$ —
Depreciation	(3,935,473)	—
Currency Forward Contracts		
Appreciation	—	9,014,136
Depreciation	—	(312,293,377)

(a) Transfers during the year between Level 1 and Level 2 relate to the use of systematic fair valuation or when significant observable inputs are used to fair value a specific security. On days when systematic fair valuation is used, securities whose primary market closes before the NYSE are classified as Level 2. There were no Level 3 securities at December 31, 2017 and 2016, and there were no transfers to Level 3 during the year.

NOTE 3—DERIVATIVE INSTRUMENTS

The Fund entered into various transactions involving derivative instruments, including currency forward contracts and futures contracts, in connection with its investment strategy. The Fund may use derivatives to minimize the impact of losses to one or more of its investments (as a "hedging technique") or to implement its investment strategy.

The Fund has entered into over-the-counter derivatives, such as currency forward contracts (each, an "OTC Derivative"). Each OTC Derivative is subject to a negotiated master agreement (based on a form published by the International Swaps and Derivatives Association ("ISDA")) governing all OTC Derivatives between the Fund and the relevant dealer counterparty. The master agreements specify (i) events of default and other events permitting a party to terminate some or all of the OTC Derivatives thereunder and (ii) the process by which those OTC Derivatives will be valued for purposes of determining termination payments. If some or all of the OTC Derivatives under a master agreement are terminated because of an event of default or similar event, the values of all terminated OTC Derivatives 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 OTC Derivatives only with counterparties it believes to be of good credit quality, by exchanging collateral, and by monitoring the financial stability of those counterparties.

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. 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 futures contracts. Futures contracts are traded publicly and their market value changes daily. Changes in the market value of open futures contracts are recorded as unrealized appreciation or depreciation in the Consolidated Statement of Operations. Realized gains and losses on futures contracts are recorded in the Consolidated Statement of Operations at the closing or expiration of the contracts. Cash deposited with a broker as initial margin is recorded in the Consolidated Statement of Assets and Liabilities. A receivable and/or payable to brokers for daily variation margin are also recorded in the Consolidated 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 entered into long Euro Stoxx 50 futures contracts and long Yen Denominated Nikkei futures contracts to provide equity exposure that approximates the Fund's "net cash and other" position, which includes cash, short-term investments, receivables, and payables. During the year ended December 31, 2017, these futures contracts had notional values up to 2% of net assets.

Currency forward contracts A currency forward contract, an OTC Derivative, represents an obligation to purchase or sell a specific foreign currency at a future date at a price set at the time of the contract. The values of the currency forward contracts are adjusted 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 Consolidated Statement of Operations. When the currency forward contract is closed, the Fund records a realized gain or loss in the Consolidated 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 the counterparties do not perform under a contract's terms.

The Fund has maintained currency forward contracts to hedge direct and/or indirect foreign currency exposure to the Chinese yuan renminbi, euro, and Swiss franc. During the year ended December 31, 2017, these currency forward contracts had U.S. dollar total values ranging from 11% to 13% of net assets.

Additional derivative information For financial reporting purposes, the Fund does not offset OTC Derivative assets and liabilities that are subject to a master netting arrangement in the Consolidated Statement of Assets and Liabilities. OTC Derivatives are presented in the Consolidated Statement of Assets and Liabilities as unrealized appreciation/depreciation on currency forward contracts. Cash collateral pledged or received by the Fund for OTC Derivatives are reported gross in the Consolidated Statement of Assets and Liabilities as cash pledged/(received) as collateral for currency forward contracts. Derivative information by counterparty is presented in the Consolidated Portfolio of Investments.

The netting of assets and liabilities and the offsetting of collateral pledged or received are based on contractual netting/set-off provisions in the ISDA master agreement. The following table presents the Fund's net exposure for OTC Derivatives that are subject to enforceable master netting arrangements as of December 31, 2017. The net amount represents the receivable from (payable to) the counterparty in the event of a default.

Counterparty	Gross OTC Derivative Assets	Gross OTC Derivative Liabilities	Cash Collateral Pledged / (Received)[a]	Net Amount
Bank of America	$ —	$ (41,067,703)	$ 34,070,000	$ (6,997,703)
Citibank	2,220,891	(76,853,352)	—	(74,632,461)
Credit Suisse	—	(5,085,508)	—	(5,085,508)
Goldman Sachs	4,296,736	(37,451,961)	25,290,000	(7,865,225)
HSBC	—	(11,149,902)	10,480,000	(669,902)
JPMorgan	2,496,509	(126,224,887)	116,980,000	(6,748,378)
UBS	—	(14,460,064)	12,250,000	(2,210,064)
Total	$9,014,136	$(312,293,377)	$199,070,000	$(104,209,241)

[a] Cash collateral pledged/(received) in excess of OTC Derivative assets/liabilities, if any, is not presented. Total cash collateral pledged/(received) is presented in the Fund's Consolidated Statement of Assets and Liabilities.

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.

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.

NOTE 5—INCOME TAX INFORMATION AND DISTRIBUTIONS TO SHAREHOLDERS

A provision for federal income taxes is not required since the Fund intends to continue 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. 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, net short-term realized gain (loss), investments in passive foreign investment companies, foreign currency realized gain (loss), and derivatives. At December 31, 2017, the cost of investments in securities and derivatives for federal income tax purposes was $57,320,971,235.

Distributions during the years noted below were characterized as follows for federal income tax purposes.

	Year Ended December 31, 2017	Year Ended December 31, 2016
Ordinary income	$ 1,246,064,935	$ 1,186,114,668
	($0.892 per share)	*($0.852 per share)*
Long-term capital gain	—	$ 756,805,234
	—	*($0.543 per share)*

At December 31, 2017, the tax basis components of distributable earnings were as follows:

Unrealized appreciation	$13,799,638,111
Unrealized depreciation	(5,652,660,722)
Net unrealized appreciation	8,146,977,389
Capital loss carryforward[a]	(1,533,865,207)
Deferred loss[b]	(82,697,219)

[a] Represents accumulated long-term capital loss as of December 31, 2017, which may be carried forward to offset future capital gains.

[b] Represents net realized specified loss and capital loss incurred between November 1, 2017 and December 31, 2017. As permitted by tax regulation, the Fund has elected to treat this loss as arising in 2018.

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—LOAN FACILITIES

Pursuant to an exemptive order issued by the Securities and Exchange Commission (SEC), the Fund may participate in an interfund lending facility (Facility). The Facility allows the Fund to borrow money from or loan money to the Funds. Loans under the Facility are made for temporary or emergency purposes, such as to fund shareholder redemption requests. Interest on borrowings is the average of the current repurchase agreement rate and the bank loan rate. There was no activity in the Facility during the year.

All Funds in the Trust participate in a $500 million committed credit facility (Line of Credit) with State Street Bank and Trust Company, to be utilized for temporary or emergency purposes to fund shareholder redemptions or for other short-term liquidity purposes. The maximum amount available to the Fund is $250 million. Each Fund pays an annual commitment fee on its pro-rata portion of the Line of Credit. For the year ended December 31, 2017, the Fund's commitment fee amounted to $384,466 and is reflected as a Miscellaneous Expense in the Consolidated Statement of Operations. Interest on borrowings is charged at the prevailing rate. There were no borrowings on the Line of Credit during the year.

NOTE 7—PURCHASES AND SALES OF INVESTMENTS

For the year ended December 31, 2017, purchases and sales of securities, other than short-term securities, aggregated $10,254,384,268 and $10,930,127,895 respectively.

NOTE 8—SUBSEQUENT EVENTS

Fund management has determined that no material events or transactions occurred subsequent to December 31, 2017, and through the date of the Fund's financial statements issuance, which require additional disclosure in the Fund's financial statements.

NOTE 9—HOLDINGS OF 5% VOTING SECURITIES

Each of the companies listed below was considered to be an affiliate of the Fund because the Fund owned 5% or more of the company's voting securities during all or part of the year ended December 31, 2017. Transactions during the year in these securities were as follows:

	Shares at Beginning of Year	Additions	Reductions	Shares at End of Year	Dividend Income[a]	Realized Gain (Loss)	Net Change in Unrealized Appreciation/ Depreciation	Value at End of Year
COMMON STOCKS: 11.6%								
CONSUMER DISCRETIONARY: 1.4%								
Liberty Global PLC LiLAC, Series A[b]	3,896,557	20,480	—	3,917,037	$ —	$ —	$ (7,111,353)	$ 78,928,296
Liberty Global PLC, Series A[b]	15,970,087	2,783,416	—	18,753,503	—	—	102,785,882	672,125,548
Television Broadcasts, Ltd.	40,022,900	—	—	40,022,900	4,616,980	—	12,669,170	144,268,630
Yamaha Motor Co., Ltd.	30,076,100	—	(13,401,100)	16,675,000	14,410,349	12,056,143	257,723,319	—[c]
								895,322,474
CONSUMER STAPLES: 0.9%								
Magnit PJSC	1,394,237	4,038,548	—	5,432,785	9,532,349	—	(194,899,598)	597,110,661
ENERGY: 0.4%								
Saipem SPA[b]	56,980,627[d]	—	—	56,980,627	—	—	(58,699,631)	260,124,666
FINANCIALS: 5.7%								
AEGON NV	134,654,439	7,587,670	(7,486,579)	134,755,530	40,249,418	(56,388,810)	174,579,067	858,832,503
ICICI Bank, Ltd.	364,368,485	38,271,259	(18,456,168)	384,183,576	13,974,428	7,096,859	591,080,878	1,885,312,473
Kasikornbank PCL- Foreign	119,975,027	21,398,800	(8,541,100)	132,832,727	13,011,312	731,041	314,060,974	970,823,730
								3,714,968,706
REAL ESTATE: 0.6%								
Hang Lung Group, Ltd.	121,585,500	—	(10,240,100)	111,345,400	11,976,764	(16,997,527)	44,454,613	409,619,216
TELCOMMUNICATION SERVICES: 2.6%								
Millicom International Cellular SA SDR	9,603,136	—	(899,700)	8,703,436	21,192,669	(37,427,086)	270,430,765	587,578,809
MTN Group, Ltd.	88,829,080	13,386,300	—	102,215,380	42,889,939	—	195,195,617	1,129,848,850
								1,717,427,659
					$171,854,208	$(90,929,380)	$1,702,269,703	$7,594,573,382

(a) Net of foreign taxes, if any
(b) Non-income producing
(c) Company was not an affiliate at year end
(d) Shares reflect a reverse stock split on May 22, 2017

CONSOLIDATED FINANCIAL HIGHLIGHTS

SELECTED DATA AND RATIOS

(for a share outstanding throughout each year)	Year Ended December 31,				
	2017	2016	2015	2014	2013
Net asset value, beginning of year	$38.10	$36.48	$42.11	$43.04	$34.64
Income from investment operations:					
Net investment income	0.70	0.82	0.79	0.98	0.70
Net realized and unrealized gain (loss)	8.41	2.19	(5.58)	(0.94)	8.40
Total from investment operations	9.11	3.01	(4.79)	0.04	9.10
Distributions to shareholders from:					
Net investment income	(0.89)	(0.85)	(0.84)	(0.97)	(0.70)
Net realized gain	—	(0.54)	—	—	—
Total distributions	(0.89)	(1.39)	(0.84)	(0.97)	(0.70)
Net asset value, end of year	$46.32	$38.10	$36.48	$42.11	$43.04
Total return	23.94%	8.26%	(11.35)%	0.07%	26.31%
Ratios/supplemental data:					
Net assets, end of year (millions)	$65,670	$54,187	$57,029	$64,040	$53,616
Ratios of expenses to average net assets	0.63%	0.64%	0.64%	0.64%	0.64%
Ratios of net investment income to average net assets	1.57%	2.12%	1.86%	2.39%	1.85%
Portfolio turnover rate	17%	17%	18%	12%	13%

See accompanying Notes to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees of the Dodge & Cox Funds and Shareholders of Dodge & Cox International Stock Fund

Opinion on the Financial Statements

We have audited the accompanying consolidated statement of assets and liabilities, including the consolidated portfolio of investments, of Dodge & Cox International Stock Fund (one of the funds constituting Dodge & Cox Funds, referred to hereafter as the "Fund") as of December 31, 2017, the related consolidated statement of operations for the year ended December 31, 2017, the consolidated statement of changes in net assets for each of the two years in the period ended December 31, 2017, including the related notes, and the consolidated financial highlights for each of the five years in the period ended December 31, 2017 (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2017, the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period ended December 31, 2017 and the financial highlights for each of the five years in the period ended December 31, 2017 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our procedures included confirmation of securities owned as of December 31, 2017 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
San Francisco, California
February 16, 2018

We have served as the auditor of one or more investment companies in the Dodge & Cox Funds since 1931.

SPECIAL 2017 TAX INFORMATION
(unaudited)

The following information is provided pursuant to provisions of the Internal Revenue Code:

In 2017, the Fund elected to pass through to shareholders foreign source income of $1,477,128,714 and foreign taxes paid of $136,506,323.

The Fund designates up to a maximum of $1,396,377,512 of its distributions paid to shareholders in 2017 as qualified dividends (treated for federal income tax purposes in the hands of shareholders as taxable at a maximum rate of 20%).

For shareholders that are corporations, the Fund designates 1% of its ordinary dividends paid to shareholders in 2017 as dividends from domestic corporations eligible for the corporate dividends received deduction, provided that the shareholder otherwise satisfies applicable requirements to claim that deduction.

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 continue the Investment Management Agreements between the Funds and Dodge & Cox each year (the "Agreements"). At a meeting of the Board of Trustees of the Trust held on December 14, 2017, 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 renewal of the Agreements for an additional one-year term through December 31, 2018 with respect to each Fund. During the course of the year, the Board received extensive information and materials relating to the investment management and administrative services provided by Dodge & Cox and the performance of each of the Funds.

INFORMATION RECEIVED

In 2016 and 2017, the Board requested, received, and discussed a number of special presentations on topics relevant to their consideration of the proposed renewal of the Funds' Agreements. In addition to the foregoing and in advance of the meetings referred to below, the Board, including the Independent Trustees, requested, received, and reviewed materials relating to the Agreements and the services provided by Dodge & Cox. The Independent Trustees retained Morningstar to prepare an independent expense and performance summary for each Fund and comparable funds managed by other advisers identified by Morningstar. The Morningstar materials included information regarding advisory fee rates, expense ratios, and transfer agency, custodial, and distribution expenses, as well as performance comparisons to each Fund's peer group and to a broad-based securities index or combination of indices. The Morningstar materials also included a comparison of expenses of various share classes offered by comparable funds. The materials reviewed by the Board contained information concerning, among other things, Dodge & Cox's profitability, financial results and condition, advisory fee revenue, and separate account fee schedules. The Board additionally considered the Funds' brokerage commissions, turnover rates, sales and redemption data, and the significant investment that Dodge & Cox makes in research used in managing the Funds. The Board received and reviewed memoranda and related materials addressing, among other things, Dodge & Cox's services to the Funds; how Dodge & Cox Funds' fees compare to fees of peer group funds; the different fees, services, costs, and risks associated with other accounts managed by Dodge & Cox as compared to the Dodge & Cox Funds; and the ways in which the Funds realize economies of scale. Throughout the process of reviewing the services provided by Dodge & Cox and preparing for the meeting, the Independent Trustees found Dodge & Cox to be open, forthright, detailed, and very helpful in answering questions about all issues. The Board received copies of the Agreements and a memorandum from the independent legal counsel to the Independent Trustees discussing the factors generally regarded as appropriate to consider in evaluating advisory arrangements. The Trust's Contract Review Committee, consisting solely of Independent Trustees, met with the independent legal counsel on November 9, 2017 and again on December 14, 2017 to discuss whether to renew the Agreements. The Board, including the Independent Trustees, subsequently concluded that the existing Agreements are fair and reasonable and voted to approve the Agreements. In considering the Agreements, 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 Agreements, the Board considered several factors, discussed below, to be key factors and reached the conclusions described below.

NATURE, QUALITY, AND EXTENT OF THE SERVICES

The Board considered that Dodge & Cox provides a wide range of services to the Funds in addition to portfolio management. The extensive nature of services provided by Dodge & Cox has been documented in materials provided to the Board and in presentations made to the Board throughout the year. 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 and conscientiousness in the management of the Funds; its demonstrated consistency in investment approach and depth; the background and experience of the Dodge & Cox U.S. Equity Investment Committee, International Equity Investment Committee, Global Equity Investment Committee, U.S. Fixed Income Investment Committee, and Global Fixed Income Investment Committee, and research analysts responsible for managing the Funds; Dodge & Cox's methods for assessing the regulatory and investment climate in various jurisdictions; its overall high level of attention to its core investment management function; and its commitment to the Funds and their shareholders. The Board also considered analysis provided by Morningstar regarding the degree of active management in the Dodge & Cox equity funds and concluded that Dodge & Cox is an active, high conviction manager of equity portfolios, not a "closet index" manager.

In the area of administrative and shareholder services, the Board considered the quality of Dodge & Cox's work in areas such as compliance, legal services, trading, operations, proxy voting, technology, oversight of the Funds' transfer agent and custodian/fund accounting agent, tax compliance, risk management, shareholder support, and shareholder communication through its website and other means. The Board also noted Dodge & Cox's disclosure policy, its compliance record, and its reputation as a trusted, shareholder-friendly mutual fund family.

In addition, the Board considered that Dodge & Cox manages approximately $200 billion in Fund assets 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 or to present material conflicts of interest with the operations of the Funds, that its investment professionals adhere to a consistent investment approach across the Funds, and that due to its careful and deliberate strategy with respect to new products, Dodge & Cox has had remarkable stability in its mutual fund product offerings over the course of the past 87 years and has the fewest funds of any of the 25 largest mutual fund families by assets. The Board further considered the "Gold" analyst rating awarded by Morningstar to all of the Funds (other than the Global Bond Fund). The Board concluded that it was satisfied with the nature, extent, and quality of investment management and other services provided to the Funds by Dodge & Cox.

INVESTMENT PERFORMANCE

The Board considered short-term and long-term investment performance for each Fund (including periods of outperformance or underperformance) as compared to both relevant indices and the performance of such Fund's peer group. In assessing the performance of the Funds, the Board considered the Funds' investment returns over various periods and the volatility thereof and concluded that the levels experienced were consistent with Dodge & Cox's long-term approach and active investment style. The Board determined after extensive review and inquiry that Dodge & Cox's historic, long-term, team-oriented, bottom-up investment approach remains consistent and that Dodge & Cox continues to be distinguished by its integrity, transparency, and independence. The Board considered that the performance of the Funds is the result of a value-oriented investment management process that emphasizes a long-term investment horizon, comprehensive independent research, a team approach, price discipline, low cost, and low portfolio turnover. The Board also considered that the investment performance delivered by Dodge & Cox to the Funds appeared to be consistent with the relevant performance delivered for other clients of Dodge & Cox. The Board concluded that Dodge & Cox has delivered favorable long-term performance for Fund investors consistent with the long-term investment strategies being pursued by the Funds.

COSTS AND ANCILLARY BENEFITS

Costs of Services to Funds: Fees and Expenses. The Board considered each Fund's management fee rate and expense ratio relative to each Fund's peer group and relative to management fees charged by Dodge & Cox to other clients. In particular, the Board considered that the Funds continue to be below their peer group median in expense ratios and that many media and industry reports specifically comment on the low cost of the Funds, which have been a defining characteristic of the Funds for many years. The Board also evaluated the operating structures of the Funds and Dodge & Cox, noting that the Funds do not charge front-end sales commissions or distribution fees, and Dodge & Cox bears, among other things, the significant cost of third party research, reimbursement for shareholder recordkeeping and administrative costs to third-party retirement plan administrators, and administrative and office overhead. The Board noted that expenses are well below industry averages.

When compared to peer group funds, the Funds are in the quartile with the lowest expense ratios. The Board also considered that the Funds receive numerous administrative, regulatory compliance, legal, operational, technology, tax compliance, risk management, and shareholder support services from Dodge & Cox without any additional administrative fee and that the Funds have relatively low transaction costs and portfolio turnover rates. The Board noted the Funds' unusual single-share-class structure and reviewed Morningstar data (including asset-weighted average expense ratios) showing that the few peer group funds with lower expense ratios often have other share classes with significantly higher expense ratios than the Funds'. In this regard, the Board considered that many of the Funds' shareholders would not be eligible to purchase comparably priced shares of many peer group funds, which typically make their lower-priced share classes available only to institutional investors. The Board determined that the Funds provide access for small investors to high quality investment management at a relatively low cost. The Board also considered that the Funds are priced to scale, i.e., management fee rates begin at relatively low levels with the result that, even without breakpoints, the Funds' management fee rates are lower than those of many peer funds whose fee schedules include breakpoints. With respect to non-U.S. funds sponsored and managed by Dodge & Cox that are comparable to the Funds in many respects, the Board noted that the fee rates charged by Dodge & Cox are the same as or higher than the fee rates charged to the Funds.

The Board reviewed information regarding the fee rates Dodge & Cox charges to separate accounts that have investment programs similar to those of the Funds, including instances where separate account fees are lower than Fund fees. The Board considered the significant differences in the nature and scope of services Dodge & Cox provides to the Funds as compared to other client accounts, as well as material differences in regulatory, litigation, and other risks as between Dodge & Cox Funds and other types of clients. The Board noted that different markets exist for mutual fund and institutional separate account management services and that a comparison of Fund fee rates and separate account fee rates must consider the fact that separate account clients bear additional costs and responsibilities that are included in the cost of a Fund. The Board further noted that many sophisticated institutional investors in the Funds that are eligible to open separate accounts at Dodge & Cox have decided for various reasons to invest in the Funds. After consideration of these matters, the Board concluded that the overall costs incurred by the Funds for the services they receive (including the management fee paid to Dodge & Cox) are reasonable and that the fees are acceptable based upon the qualifications, experience, reputation, and performance of Dodge & Cox and the low overall expense ratios of the Funds.

Profitability and Costs of Services to Dodge & Cox; "Fall-out" Benefits. The Board 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 favorable services provided. The Board noted in particular that Dodge & Cox's profits are not generated by high fee rates, but reflect an extraordinarily streamlined, efficient, and 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 in January 2015, Dodge & Cox closed the International Stock Fund to new investors to proactively manage the growth of the Fund. The Stock Fund and Balanced Fund were similarly closed to new investors during periods of significant growth in the past. While these actions are intended to benefit existing Fund shareholders, the effect is 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 Funds and determined that they are acceptable. The Board also noted that Dodge & Cox continues to invest substantial sums in its business in order to provide enhanced services, systems, and research capabilities, all of which benefit the Funds. 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 Funds (including fall-out benefits) is fair and reasonable.

ECONOMIES OF SCALE

The Board considered whether there have been economies of scale with respect to the management of each Fund, whether the Funds have appropriately benefited from any economies of scale, and whether the management fee rate is reasonable in relation to the level of Fund assets and any economies of scale that may exist. In the Board's view, any consideration of economies of scale must take account of the Funds' low fee and expense structure and of the fact that each Fund's shareholders have benefited from the Fund's relatively low fee structure from the time of each Fund's inception (i.e., from the first dollar). An assessment of economies of scale must also take into account that Dodge & Cox invests significant time and resources in each new Fund for months (and sometimes years) prior to launch; in addition, in a Fund's early periods of operations, expenses are capped, which means that Dodge & Cox subsidizes the operations of a new Fund for a period of time until it reaches scale. The Board also observed that, while total Fund assets have grown significantly over the long term, this growth has not been continuous or evenly distributed across all of the Funds (for example, the total assets of the Balanced Fund have actually declined over the past ten years).

In addition, the Board noted that Dodge & Cox has shared the benefits of economies of scale with the Funds by adding and enhancing services to the Funds over time, and that Dodge & Cox's internal costs of providing investment management, technology, administrative, legal, and compliance services to the Funds continue to increase. For example, Dodge & Cox has increased its global research staff and investment resources over the years to add important new capabilities for the benefit of Fund shareholders and to address the increased complexity of investing in multinational and non-U.S. companies. In addition, Dodge & Cox has made substantial expenditures in other staff, technology, and infrastructure to enable it to integrate credit and equity analyses and to implement its strategy in a more effective and secure manner. 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 significantly outpaced the Funds' growth rate during the same period. The Board considered that Dodge & Cox has a history of voluntarily limiting asset growth in several Funds that experienced significant inflows by closing them to new investors in order to protect the Funds' ability to achieve good investment returns for shareholders. The Board also observed that, even without fee breakpoints, the Funds are competitively priced in a very competitive market and that having a low fee from inception is better for shareholders than starting with a higher fee and adding breakpoints. The Board also noted that there are certain diseconomies of scale associated with managing large funds, insofar as certain of the costs and risks associated with portfolio management increase as assets grow. The Board concluded that the current Dodge & Cox fee structure is fair and reasonable and adequately shares economies of scale that may exist.

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 advisory fee structure was fair and reasonable, that each Fund was paying a competitive fee for the services provided, that Dodge & Cox's services have provided value for Fund shareholders over the long term, and that approval of the Agreements was in the best interests of each Fund and its shareholders.

FUND HOLDINGS

The Fund provides a complete list of its holdings four times each fiscal year, as of the end of each quarter. The Fund files the lists with the Securities and Exchange Commission (SEC) on Form N-CSR (second and fourth quarters) and Form N-Q (first and third quarters). Shareholders may view the Fund's Forms N-CSR and N-Q on the SEC's website at sec.gov. Forms N-CSR and N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operations of the Public Reference Room may be obtained by calling 800-SEC-0330. A list of the Fund's quarter-end holdings is also available at dodgeandcox.com on or about 15 days following each quarter end and remains available on the website until the list is updated in 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, or visit the SEC's website at sec.gov. Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ending June 30 is also available at dodgeandcox.com or at 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.

DODGE & COX FUNDS—EXECUTIVE OFFICER & TRUSTEE INFORMATION

Name (Age) and Address*	Position with Trust (Year of Election or Appointment)	Principal Occupation During Past 5 Years	Other Directorships Held by Trustees
INTERESTED TRUSTEES AND EXECUTIVE OFFICERS			
Charles F. Pohl (59)	Chairman and Trustee (Since 2014)	Chairman (since 2013) and Director of Dodge & Cox; Chief Investment Officer, member of U.S. Equity Investment Committee (USEIC), Global Equity Investment Committee (GEIC), International Equity Investment Committee (IEIC), and U.S. Fixed Income Investment Committee (USFIIC), Portfolio Manager, and Investment Analyst; Co-President (2011-2013)	—
Dana M. Emery (56)	President and Trustee (Trustee since 1993) (President since 2014)	Chief Executive Officer (since 2013), President, and Director of Dodge & Cox; Director of Fixed Income and member of USFIIC and Global Fixed Income Investment Committee (GFIIC); Co-President (2011-2013)	—
Diana S. Strandberg (58)	Senior Vice President (Since 2006)	Senior Vice President and Director of Dodge & Cox; Director of International Equity and member of USEIC, GEIC, IEIC and GFIIC; Portfolio Manager and Investment Analyst	—
Roberta R.W. Kameda (57)	Secretary (Since 2017)	Vice President, General Counsel, and Secretary (since 2017) of Dodge & Cox	—
David H. Longhurst (60)	Treasurer (Since 2006)	Vice President and Assistant Treasurer of Dodge & Cox	—
Katherine M. Primas (43)	Chief Compliance Officer (Since 2010)	Vice President and Chief Compliance Officer of Dodge & Cox	—
INDEPENDENT TRUSTEES			
Caroline M. Hoxby (51)	Trustee (Since 2017)	Professor of Economics, Stanford University; Director of the Economics of Education Program, National Bureau of Economic Research; Senior Fellow, Hoover Institution and Stanford Institute for Economic Policy Research	—
Thomas A. Larsen (68)	Trustee (Since 2002)	Senior Counsel of Arnold & Porter (law firm) (since 2013); Partner of Arnold & Porter (until 2012); Director of Howard, Rice, Nemerovski, Canady, Falk & Rabkin (1977-2011)	—
Ann Mather (57)	Trustee (Since 2011)	CFO, Pixar Animation Studios (1999-2004)	Director, Alphabet Inc. (internet information services) (since 2005); Director, Glu Mobile, Inc. (multimedia software) (since 2004); Director, Netflix, Inc. (internet television) (since 2010); Director, Arista Networks (cloud networking) (since 2013); Director, Shutterfly, Inc. (internet photography services/publishing) (since 2013)
Robert B. Morris III (65)	Trustee (Since 2011)	Advisory Director, The Presidio Group (2005-2016); Partner and Managing Director—Global Investment Research at Goldman Sachs (until 2001)	—
Gary Roughead (66)	Trustee (Since 2013)	Robert and Marion Oster Distinguished Military Fellow, Hoover Institution (since 2012); Admiral, United States Navy (Ret.); U.S. Navy Chief of Naval Operations (2008-2011)	Director, Northrop Grumman Corp. (global security) (since 2012); Director, Maersk Line, Limited (shipping and transportation) (since 2016)
Mark E. Smith (66)	Trustee (Since 2014)	Executive Vice President, Managing Director—Fixed Income at Loomis Sayles & Company, L.P. (2003-2011)	—
John B. Taylor (71)	Trustee (Since 2005) (and 1995-2001)	Professor of Economics, Stanford University (since 1984); Senior Fellow, Hoover Institution (since 1996); Under Secretary for International Affairs, United States Treasury (2001-2005)	—

* The address for each Officer and Trustee is 555 California Street, 40th Floor, San Francisco, California 94104. Each Officer and Trustee oversees all six series in the Dodge & Cox Funds complex and serves for an indefinite term.

Additional information about the Trust's Trustees and Officers is available in the Trust's Statement of Additional Information (SAI). You can get a free copy of the SAI by visiting the Funds' website at dodgeandcox.com or calling 800-621-3979.

International Stock Fund

dodgeandcox.com

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

or write or call:

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