Harris | Oakmark

QUARTERLY COMMENTARY

Oakmark Global Fund

June 30, 2025

SECOND QUARTER, 2025

- **The Fund (Investor Share Class) underperformed the benchmark, the MSCI World Index, for the quarter, but outperformed the benchmark since inception.**
- **At the sector level, the largest contributors to performance were industrials and financials, while health care and energy were the largest detractors.**
- **Geographically, the top three country allocations are 53.9% in the U.S., 34.3% in Europe ex U.K. and 8.4% in the U.K. For the quarter, the U.K., Denmark and Ireland were the largest contributors to relative performance. The U.S., Switzerland and China were the largest detractors from relative performance. Emerging markets accounted for 3.3% of the portfolio.**

Second-quarter highlights

Top contributors
- DSV
- Bayer
- Akzo Nobel

Top detractors
- Becton, Dickinson and Company
- IQVIA Holdings
- ConocoPhillips

New purchases
- adidas
- Ashtead Group
- BMW
- BNP Paribas
- Keurig Dr Pepper
- Molina Healthcare

Final sales
- Allianz
- Anheuser-Busch InBev
- Fiserv
- Liberty Broadband Cl C
- Lloyds Banking Group
- TIS Inc

TOP CONTRIBUTOR | DETRACTOR

Top contributor

DSV was the top contributor during the quarter. The Denmark-headquartered freight forwarding and logistics company's stock price rose as investors continue to react positively to the D.B. Schenker deal. DSV delivered first-quarter 2025 earnings that were highlighted by strong performance in the Air and Sea segment. The company also disclosed its targets for synergy realization from the Schenker deal and these targets were ahead of market expectations. We continue to think freight forwarding is a high-growth, return-generative business that benefits from an asset-lite model. In our view DSV has the industry's best management team, which has the company well-positioned for future growth and to expand its already industry-leading profitability.

Top detractor

Becton, Dickinson and Company was the top detractor during the quarter. The U.S.-headquartered health care equipment company's stock price declined after it delivered weak fiscal second-quarter 2025 earnings. The earnings were negatively impacted by several headwinds including research spending cuts, volume-based procurement challenges in China and pharma syringe destocking. In our view, the market is overlooking Becton Dickinson's strong margin progress and operational improvements. We believe the company can leverage its prowess for innovation and low-cost manufacturing to unlock further value.

PORTFOLIO ACTIVITY

This quarter experienced a higher level of activity than what is typical for the Fund as President Trump's Liberation Day announcement led to significant volatility in the market. Certain companies where the perceived impact from tariffs was deemed higher by the market fell meaningfully while other companies perceived as less impacted held up much better. In order to keep the portfolio forward looking and seek to maximize medium- and long-term returns, we trimmed or sold positions that performed well and bought shares in companies where the discount to intrinsic value widened significantly, in our view. As such, this quarter we added six new companies to the Fund while exiting six existing holdings.

New purchases

Adidas is an iconic global sportswear brand specializing in athletic footwear, apparel and equipment. Adidas is the second-largest player behind Nike and current management (since 2023) has revitalized the company. We believe Adidas is poised for further margin expansion and above-market growth, supported by secular tailwinds, strong brand momentum and substantial investments into its product offerings and distribution channels. Despite reporting solid fundamental results, the stock price has declined amidst tariff concerns. This provided us the opportunity to initiate a position in a well-managed market leader at a discount to our estimate of intrinsic value.

Ashtead Group is an international equipment rental company and a business we know well, having invested in the stock in the past. Ashtead is the second largest player in the scaled rental equipment industry, which has a favorable oligopolistic structure benefitting from secular growth drivers in an under-penetrated North American market. We believe the company is well-positioned to gain market share over time as its primary competition comes from smaller, less efficient players. In addition, we appreciate Ashtead's management team's track record of creating value and their incentive-based compensation scheme that empowers employees to act in the best interest of shareholders. Despite recent share price declines over tariff concerns, we view the company as a rarity in that we believe it can benefit from tariffs over the medium-term thanks to increased U.S. investment reshoring. This created the opportunity to purchase shares in the company at a discount to our estimate of intrinsic value.

BMW is a leading global manufacturer of premium automobiles and motorcycles. BMW commands excellent brand equity within the premium automotive segment, which tends to grow faster and enjoy better pricing dynamics than the broader automotive market. In our view, BMW's management team is strong both operationally and strategically, basing key decisions on long-term value creation. They have positioned themselves well for success as electric vehicle demand grows, since they have a higher share globally in EVs than in ICE cars. Their position here will be further supported by the launch of their first electric-first platform, the Neue Klasse, later this year. Due to a high degree of localization, they are also better positioned to deal with tariffs than peers, in our view. Concerns over trade policy and both demand and competition in China presented the opportunity to initiate a position in BMW, an iconic brand with the strong balance sheet, cash flow generation, and technological savvy necessary to potentially deliver strong long-term results for shareholders.

BNP Paribas is one of the world's largest banks with operations in more than 60 countries and the largest in Europe. We like that BNP is a highly diversified business with a best-in-class deposit franchise. In our view, the bank is well-positioned for profitable growth as it focuses on optimizing high-potential business segments, executing value-accretive acquisitions, and driving operating leverage via continued cost control. Despite strong fundamental results, the stock trades at a discount to our estimate of intrinsic value due to French macro concerns, manageable regulatory uncertainty, and a lower interest rate environment. This created the opportunity to purchase shares in a well-managed company with strong underlying profitability and meaningful upside potential that should be a relative beneficiary in a falling rate environment.

Keurig Dr Pepper is one of North America's leading beverage companies, with dominant positions in single serve coffee and flavored soft drinks. The soft drink portfolio has an enviable track record of volume growth and market share gains. We believe this strong performance can continue well into the future thanks to favorable demographic trends, brand strength and its unique distribution network. Recently, the stock price came under pressure due to fundamental weakness in the Keurig coffee division. At-home coffee consumption normalized as people returned to work, while price hikes are also weighing on demand. We believe these industry-wide challenges will prove transitory as coffee remains a popular beverage across demographics. Keurig is poised to capitalize on this demand with the largest installed base of single-serve brewers and ample runway to further increase household penetration. At the current quote, the market ascribes minimal value to Keurig. We were happy to purchase shares in this above-average business that is trading at a discount to the market, other beverage peers and private market transactions.

Molina Healthcare is a leading managed care company. The company is the fourth largest player in managed Medicaid and has consistently delivered industry-leading margins historically. In our view, this is thanks to Molina Healthcare's exceptional management team and culture of operational excellence. Moreover, we think Molina Healthcare has a long runway for growth given its small scale relative to peers and untapped opportunities in their Medicare and Marketplace business segments. Recently, the Medicaid industry has come under substantial pressure due to a challenging redetermination cycle and additional headwinds from legislation under the current administration. This provided the opportunity to, in our view, purchase shares in a best-in-class managed care company at depressed valuation on trough earnings.

PORTFOLIO MANAGERS

(Year joined Harris | Oakmark)

David G. Herro, CFA (1992)
Eric Liu, CFA (2009)
Tony Coniaris, CFA (1999)
M. Colin Hudson, CFA (2005)
John A. Sitarz, CFA, CPA (2013)

June 30, 2025

AVERAGE ANNUALIZED TOTAL RETURNS (%)

	Inception date	QTD	1 yr	3 yrs	5 yrs	10 yrs	Since inception	Expense ratio
Investor Class | OAKGX	08/04/1999	5.96	12.05	11.02	12.70	6.57	9.26	1.12
Advisor Class | OAYGX	11/30/2016	6.03	12.27	11.24	12.91	6.71	9.31	0.93
Institutional Class | OANGX	11/30/2016	6.03	12.29	11.27	12.94	6.75	9.33	0.89
R6 Class | OAZGX	12/15/2020	6.03	12.36	11.30	12.96	6.76	9.33	0.86
MSCI World Index		11.47	16.26	18.31	14.55	10.66	6.60	
MSCI World Value Index		5.38	15.94	13.48	13.47	7.69	5.57	

Expense ratios are as of the Fund's most recent prospectus dated January 28, 2025, as amended and restated January 30, 2025, March 14, 2025 and May 19, 2025; actual expenses may vary. Returns for periods less than one year are not annualized. Since inception returns for the indexes are calculated based on the Investor Class inception date. "Linked performance": Advisor and Institutional Class shares commenced operations on 11/30/2016. The performance attributed to the those share classes prior to that date is that of the Investor Class shares from 8/4/1999-11/30/2016. Performance prior to 11/30/2016 has not been adjusted to reflect the lower expenses of Advisor and Institutional Class shares which would have had similar, but potentially higher returns due to lower expenses. R6 Class shares commenced operations on 12/15/2020. The performance attributed to the R6 Class shares prior to that date is that of the Investor Class shares from 8/4/1999-11/30/2016, and then the performance of the Institutional Class shares from 11/30/2016-12/15/2020. Performance prior to 12/15/2020 has not been adjusted to reflect the lower expenses of R6 Class shares. During this period, R6 Class shares would have had similar, but potentially higher returns due to lower expenses.

Past performance is no guarantee of future results. The performance data quoted represents past performance. Current performance may be lower or higher than the performance data quoted. Total return includes change in share prices and, in each case, includes reinvestment of dividends and capital gain distributions. The investment return and principal value vary so that an investor's shares, when redeemed, may be worth more or less than the original cost.

The securities mentioned above comprise the following percentages of the Oakmark Global Fund's total net assets as of 06/30/2025: adidas 1.9%, Akzo Nobel 2.8%, Allianz 0.0%, Anheuser-Busch InBev 0.0%, Ashtead Group 2.5%, Bayer 2.1%, Becton Dickinson 2.7%, BMW 1.4%, BNP Paribas 2.4%, ConocoPhillips 2.2%, DSV 3.2%, Fiserv 0.0%, IQVIA Holdings 3.0%, Keurig Dr Pepper 1.5%, Liberty Broadband Cl C 0.0%, Lloyds Banking Group 0.0%, Molina Healthcare 2.3%, Nike 0.0% and TIS Inc 0.0%. **Portfolio holdings are subject to change without notice and are not intended as recommendations of individual stocks.**

[Access the full list of holdings for the Oakmark Global Fund as of the most recent quarter-end.]

The information, data, analyses, and opinions presented herein (including current investment themes, the portfolio managers' research and investment process, and portfolio characteristics) are for informational purposes only and represent the investments and views of the portfolio managers and Harris Associates L.P. as of the date written and are subject to change and may change based on market and other conditions without notice.

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Certain comments herein are based on current expectations and are considered "forward-looking statements." These forward-looking statements reflect assumptions and analyses made by the portfolio managers and Harris Associates L.P. based on their experience and perception of historical trends, current conditions, expected future developments, and other factors they believe are relevant. Actual future results are subject to a number of investment and other risks and may prove to be different from expectations. Readers are cautioned not to place undue reliance on the forward-looking statements.

The MSCI World Index (Net) is a free float-adjusted, market capitalization-weighted index that is designed to measure the global equity market performance of developed markets. The index covers approximately 85% of the free float-adjusted market capitalization in each country. This benchmark calculates reinvested dividends net of withholding taxes. This index is unmanaged and investors cannot invest directly in this index.

The MSCI World Value Index (Net) captures large- and mid-cap securities exhibiting overall value style characteristics across 23 Developed Markets. The value investment style characteristics for index construction are defined using three variables: book value-to-price, 12-month forward earnings-to-price, and dividend yield. The Total Return Index (Net) includes reinvested dividends net of foreign withholding tax. This index is unmanaged and investors cannot invest directly in this index.

On occasion, Harris may determine, based on its analysis of a particular multi-national issuer, that a country classification different from MSCI best reflects the issuer's country of investment risk. In these instances, reports with country weights and performance attribution will differ from reports using MSCI classifications. Harris uses its own country classifications in its reporting processes, and these classifications are reflected in the included materials.

The Fund's portfolio tends to be invested in a relatively small number of stocks. As a result, the appreciation or depreciation of any one security held by the Fund will have a greater impact on the Fund's net asset value than it would if the Fund invested in a larger number of securities. Although that strategy has the potential to generate attractive returns over time, it also increases the Fund's volatility.

Investing in foreign securities presents risks that in some ways may be greater than U.S. investments. Those risks include: currency fluctuation; different regulation, accounting standards, trading practices and levels of available information; generally higher transaction costs; and political risks.

All information provided is as of 06/30/2025 unless otherwise specified.

Before investing in any Oakmark Fund, you should carefully consider the Fund's investment objectives, risks, management fees and other expenses. This and other important information is contained in a Fund's prospectus and summary prospectus. Please read the prospectus and summary prospectus carefully before investing. For more information, please visit Oakmark.com or call 1-800-OAKMARK (1-800-625-6275).