Harris | Oakmark

QUARTERLY COMMENTARY

Oakmark Global Select Fund

June 30, 2025

SECOND QUARTER, 2025

- **The Fund (Investor Share Class) underperformed the benchmark, the MSCI World Index, for the quarter and since inception.**
- **At the sector level, the largest contributors to performance were financials and industrials, while health care and energy were the only detractors.**
- **Geographically, the top three country allocations are 60.8% in the U.S., 26.0% in Europe ex U.K. and 9.9% in the U.K. For the quarter, France, the Netherlands and Germany were the top contributors to relative performance. The U.S., China and the U.K. were the largest detractors from relative performance. Emerging markets accounted for 3.2% of the portfolio.**

Second-quarter highlights

Top contributors

- Bayer
- Prosus
- Capital One Financial

Top detractors

- IQVIA Holdings
- Fiserv
- Alibaba Group

New purchases

- Becton, Dickinson and Company
- BMW
- BNP Paribas
- DSV

Final sales

- Danone
- Fiserv
- Lloyds Banking Group

TOP CONTRIBUTOR | DETRACTOR

Top contributor

Bayer was the top contributor during the quarter. The German-headquartered pharmaceutical and agricultural company delivered a solid first-quarter 2025 that outperformed expectations, driven primarily by Pharma segment performance. This was an encouraging sign of organizational restructuring translating to results. In addition, expectations built throughout the quarter for the Supreme Court decision on whether to hear Bayer's appeal in its RoundUp litigation. The court requested the Solicitor General's input, which we believe implies good odds for Supreme Court review which could put an end to RoundUp litigation.

Top detractor

IQVIA Holdings (IQV) was the top detractor during the quarter. The U.S.-headquartered provider of biopharma services saw its stock price decline amidst uncertainty related to possible price controls on drugs, concerns about potential pharma tariffs and government agency budget cuts. IQV's first-quarter results in its Contract Research Organization segment held up better than peers and its Technology and Analytic Solutions segment is performing well, but the overall outlook for the near-term is weak due to a slowdown in biopharma R&D spending. This pressure notwithstanding, we believe the company's intermediate and long-term prospects remain solid. With the shares trading close to an all-time low multiple and management stepping up the level of repurchases, we believe that IQV is an attractive investment today.

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 four new companies to the Fund while exiting three existing holdings.

New purchases

Becton, Dickinson and Company (BD) is a global medical technology company that markets a broad range of essential medical supplies, devices, laboratory equipment and diagnostic products. BD has achieved leading share positions in nearly all of its product categories by combining continuous innovation, low-cost manufacturing and consistently high reliability. The combination of an out-of-favor healthcare sector, temporary macro headwinds that have weighed on growth, and backward-looking concerns over free cash conversion have pressured the stock. These short-term concerns have provided us with the opportunity to purchase shares in what we view as a high-quality business with improving margins and an attractive long-term growth outlook at a significant discount to historical valuation levels.

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.

DSV is a transportation and logistics company that offers supply chain solutions to customers across the globe. The company is an exceptionally well-managed freight forwarder with a team that has continuously delivered industry-leading profit margins. The company recently acquired D.B. Schenker, the fourth largest freight forwarder in the world, which we think will further expand DSV's capabilities and offer attractive synergies. DSV has created and grown shareholder value over the past decade by successfully acquiring and integrating companies in this fragmented market, which we expect to continue. It has also maintained its strategy of increasing volumes, while maintaining best-in-class profitability.

PORTFOLIO MANAGERS

(Year joined Harris | Oakmark)

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

AVERAGE ANNUALIZED TOTAL RETURNS (%)

	Inception date	QTD	1 yr	3 yrs	5 yrs	10 yrs	Since inception	Expense ratio
Investor Class | OAKWX	10/02/2006	4.54	17.34	13.44	12.27	7.38	7.90	1.13
Advisor Class | OAYWX	11/30/2016	4.63	17.56	13.63	12.45	7.51	7.97	0.96
Institutional Class | OANWX	11/30/2016	4.63	17.64	13.70	12.52	7.57	8.00	0.90
R6 Class | OAZWX	12/15/2020	4.62	17.70	13.76	12.58	7.60	8.01	0.84
MSCI World Index		11.47	16.26	18.31	14.55	10.66	7.92	
MSCI World Value Index		5.38	15.94	13.48	13.47	7.69	5.62	

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 10/2/2006-11/30/2016. 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 10/2/2006-11/30/2016, 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 Select Fund's total net assets as of 06/30/2025: Alibaba Group 3.2%, Bayer 4.2%, Becton Dickinson 4.7%, BMW 2.0%, BNP Paribas 5.1%, Capital One Financial 4.7%, Danone 0.0%, DSV 2.8%, Fiserv 0.0%, IQVIA Holdings 5.2%, Lloyds Banking Group 0.0% and Prosus 4.6%. **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 Select Fund as of the most recent quarter-end.

June 30, 2025

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.

This content is not a recommendation of or an offer to buy or sell a security and is not warranted to be correct, complete or accurate.

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).

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