

Oakmark International Small Cap Fund

September 30, 2024

THIRD QUARTER, 2024

- The Fund returned 11.90% versus 10.45% for the MSCI World ex USA Small Cap Index (net) for the quarter. Since its inception in November 1995, the Fund has returned an average of 8.77% per year.
- At the sector level, the largest contributors were industrials and financials. No sectors detracted from performance.
- Geographically, the top three country allocations are 55.8% in Europe ex U.K., 17.2% in the U.K. and 8.4% in Asia ex Japan. For the quarter, Germany, Japan and Canada were contributors to relative performance. Mexico, Sweden and Norway were detractors from relative performance. Emerging markets accounted for 12.4% of the portfolio.

TOP CONTRIBUTOR | DETRACTOR

Top contributor

St. James's Place was the top contributor during the quarter. After several months of negative news flow relating to Consumer Duty regulation fee changes and levied penalties from the Financial Conduct Authority, the U.K. wealth manager's stock price rose materially. This occurred based on first half of 2024 earnings that included a reaffirmed view of the near-term fees and penalty provisioning for the business as well as medium-term ambitions to double company earnings through a combination of a strong cost-savings program and gradual migration of non-fee generating gestation assets to fee-paying assets. We met with CEO Mark Fitzpatrick after the earnings release and found the company's outlook credible. We have also spoken to several large St. James's Place wealth management practices to gain conviction on the company's growth

Third-quarter highlights

Top contributors

- St. James's Place
- Loomis
- LANXESS

Top detractors

- Megacable Holdings
- Atea
- Autoliv

New purchases

- Azelis Group

Final sales

- Intermediate Capital Group
- Titan Cement Intl

ambitions. In our view, its strong growth prospects after its fee reset, low valuation and strong wealth management franchise make the business an attractive investment.

Top detractor

Megacable Holdings was the top detractor during the quarter. The Mexico-headquartered cable company reported disappointing second-quarter results, in our view, with earnings before interest, tax, depreciation and amortization missing consensus expectations and underperforming our full-year estimates. A key issue was customer churn, which management emphasized has peaked and subscriber growth should inflect upwards in the coming quarters. Additionally, Mexican equities were

negatively impacted during the quarter due to investor concerns of the newly elected president. We continue to monitor the situation closely. Positively, capital expenditures are decreasing, and management emphasized that generating free cash flow is now a top priority as they do not foresee any significant investment projects in the near term.

PORTFOLIO ACTIVITY

When stock prices significantly underperformed our estimate of intrinsic value, we frequently added to positions, such as Autoliv and Metso. Similarly, we reduced our holdings in companies when the gap between intrinsic value and market value narrowed, including Konecranes, Loomis and Travis Perkins. We sold Intermediate Capital Group and Titan Cement because the stocks approached our estimate of intrinsic value.

Purchases

Azelis Group is a global pure-play specialty chemical distributor, offering technical and application expertise to its customers on its product portfolio of unique low-volume, high-impact chemistries. The industry is highly fragmented with few companies

able to offer the level of differentiated value-added services required to effectively bring manufacturer products to market. Azelis' position as a global player with a robust network across industries has facilitated sticky long-term relationships with top-tier manufacturers.

We believe the company will compound earnings over time as it gains share in a growing end market with continued manufacturer outsourcing, attractive operating leverage, and a long tail of accretive M&A opportunities. Macro-economic weakness, post-Covid-19 benefit normalization, and private equity ownership overhangs have created an opportunity to invest in this high-quality stock at a discount to peers.

PORTFOLIO MANAGERS

(Year joined Harris | Oakmark)

David G. Herro, CFA (1992)

Michael L. Manelli, CFA (2005)

Justin D. Hance, CFA (2010)

The securities mentioned above comprise the following percentages of the Oakmark International Small Cap Fund's

PERFORMANCE (%)

	QTD*	1 yr	3 yrs	5 yrs	10 yrs	Since inception
Investor Class OAKEX	11.90%	21.48%	4.03%	9.41%	6.30%	8.77%
MSCI World ex USA Small Cap Index (Net)	10.45%	23.36%	0.05%	6.85%	5.99%	n/a
MSCI World ex USA Index (Net)	7.76%	24.98%	5.65%	8.36%	5.68%	5.63%

Expense ratio: Investor Class 1.34%

*Not annualized

Inception date: Investor Class 11/01/1995

Expense ratios are from the Fund's most recent prospectus dated January 28, 2024 as amended and restated July 1, 2024; actual expenses may vary.

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.

total net assets as of 09/30/2024: Atea 2.8%, Autoliv 1.4%, Azelis Group 0.7%, Intermediate Capital Group 0%, Konecranes 1.5%, LANXESS 2.8%, Loomis 2.3%, Megacable Holdings 1.5%, St. James's Place 2.5%, Titan Cement Intl 0% and Travis Perkins 1.9%. **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 International Small Cap 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.

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 ex USA Small Cap Index (Net) is designed to measure performance of small-cap stocks across 22 of 23 Developed Markets (excluding the United States). The index covers approximately 14% 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 ex U.S. Index (Net) is a free float-adjusted, market capitalization-weighted index that is designed to measure international developed market equity performance, excluding the U.S. 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.

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 Oakmark International Small Cap 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.

The stocks of smaller companies often involve more risk than the stocks of larger companies. Stocks of small companies tend to be more volatile and have a smaller public market than stocks of larger companies. Small companies may have a shorter history of operations than larger companies, may not have as great an ability to raise additional capital and may have a less diversified product line, making them more susceptible to market pressure.

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 09/30/2024 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).

Natixis Distribution, LLC (Member FINRA | SIPC), a limited purpose broker-dealer and the distributor of various registered investment companies for which advisory services are provided by affiliates of Natixis Investment Managers, is a marketing agent for the Oakmark Funds.

Harris Associates Securities L.P., Distributor, Member FINRA.

Date of first use: 10/10/2024
FCM-4035EX-01/25