

# Capital Group Companies

# The Capital Group organization

Singularly focused on delivering superior, consistent results for long-term investors.

---

## 90+ years of investing experience

- Founded in 1931
- Privately held
- Over \$2.55 trillion in assets under management
- Investment manager for full range of investment vehicles including CITs, separate accounts, SMA/UMA, LUX funds, insurance trusts, models, mutual funds and ETFs
- Objective-based investment approach
- The Capital System<sup>SM</sup> – a consistent philosophy and process
  - Active management
  - Global, fundamental research
  - Long-term focus
  - High-conviction investing and diverse perspectives
  - Collaborative investment culture
- Experienced investors with long tenures at the organization

---

## Average tenure of Capital Group investment professionals

	Average years of experience	Average years at Capital
Equity portfolio managers	27	22
Equity analysts	14	8
Fixed income portfolio managers	25	17
Fixed income analysts	13	6

Data as of December 31, 2021.

# A global footprint

Capital has 126 portfolio managers and 218 analysts.



Data as of December 31, 2021.

# Capital Group investment units

	Portfolio managers and analysts	Traders	Oversight/Members
<b>Equity</b>			
Capital International Investors <sup>SM</sup>	81	19	<b>Portfolio Coordinating Group</b> Noriko Chen, Patricio Ciarfaglia, Greg Miliotes, Don O'Neal, Samir Parekh, Lisa Thompson
Capital Research Global Investors <sup>SM</sup>	81	13	<b>Portfolio Coordinating Group</b> Alfonso Barroso, Chris Buchbinder, Blair Frank, Brad Freer, Nick Grace, Winnie Kwan, Sung Lee, Caroline Randall, Martin Romo, Jessica Spaly, James Terrile
Capital World Investors <sup>SM</sup>	88	11	<b>Portfolio Coordinating Group</b> Hilda Applbaum, Brady Enright, Jody Jonsson, Dawid Justus, Carl Kawaja, Jonathan Knowles, Anne-Marie Peterson, Andrew Suzman, Alan Wilson
<b>Fixed Income</b>			
Capital Fixed Income Investors <sup>SM</sup>	82	42*	<b>Portfolio Coordinating Group</b> Robert Caldwell, Vincent Gonzales, Kirstie Spence, Ritchie Tuazon, Courtney Wolf, Karl Zeile
<b>Funds of funds</b>			
Capital Solutions Group	12	0	<b>Portfolio Coordinating Group</b> Canise Arredondo, Luis Freitas de Oliveira, Mike Gitlin, Damien McCann, Caroline Randall, Will Robbins, Anirudh Samsi, Bradley Vogt
<b>Macroeconomic &amp; Quantitative</b>			
Capital Strategy Research, Inc. <sup>SM</sup> (includes 14 economists/macro professionals and 7 China industry specialists; excludes China Affairs Director)	21	N/A	<b>Capital Strategy Research Board</b> Paul Benjamin, Barbara Burtin, Andre Meade, Rob Neithart, David Riley, Michael Thawley, Anne Vandenabeele

\*Includes traders and four trading analysts

As of December 31, 2021

© Capital Group. All rights reserved.

**Cross Portfolio Coordinating Group (for shared funds):**

Hilda Applbaum, Chris Buchbinder, Brady Enright, David Hoag, Jody Jonsson, Carl Kawaja, Winnie Kwan, Don O'Neal, John Queen, Will Robbins, Lisa Thompson, Chris Thomsen

# Equity unit structure at a glance

---

## Three equity units of equal capabilities and structure

- Average of 31 portfolio managers and 52 analysts in each unit
- 

## Each equity unit is fully global in structure

- All regions of the world
  - All market capitalizations
  - All investment styles/approaches
- 

## Each unit operates independently

- Research is conducted separately and is proprietary to each unit
  - Buy and sell decisions are not shared on a real-time basis among the three units
  - Each unit has dedicated trading desks and trades independently of the others
  - Holdings are filed separately with the Securities and Exchange Commission
- 

## Approx. AUM

- Capital Research Global Investors (CRGI) - \$700+B
- Capital World Investors (CWI) - \$700+B
- Capital International Investors (CII) - \$700+B

As of December 31, 2021.

# Fixed income group structure at a glance

---

Full-service fixed income manager with more than \$498 billion in AUM<sup>1</sup>

---

All strategies spanning core, core plus and LDI, covering all major sectors and geographies

---

29 portfolio managers, 53 investment analysts and 41 traders<sup>2</sup>

---

Collaborates with all three equity units

---

## The Capital System<sup>SM</sup> for fixed income

- The Portfolio Strategy Group provides guidance for duration and yield curve positioning, allocations to major sectors
- Portfolio manager teams construct thematically consistent portfolios utilizing multiple investment insights
- Analysts manage money in research portfolios, leading to better recommendations and career analysts
- Risk and Quantitative Solutions group (RQS) is a crucial component of the investment process

<sup>1</sup>Assets managed by Capital Fixed Income Investors. All values in USD. AUM figures as of December 31, 2021.

<sup>2</sup>Traders include traders, trading managers and trading analysts.

# Understanding Capital's Investment Process

# Capital Group priorities

**Our mission**  
Improve people's lives  
through successful investing

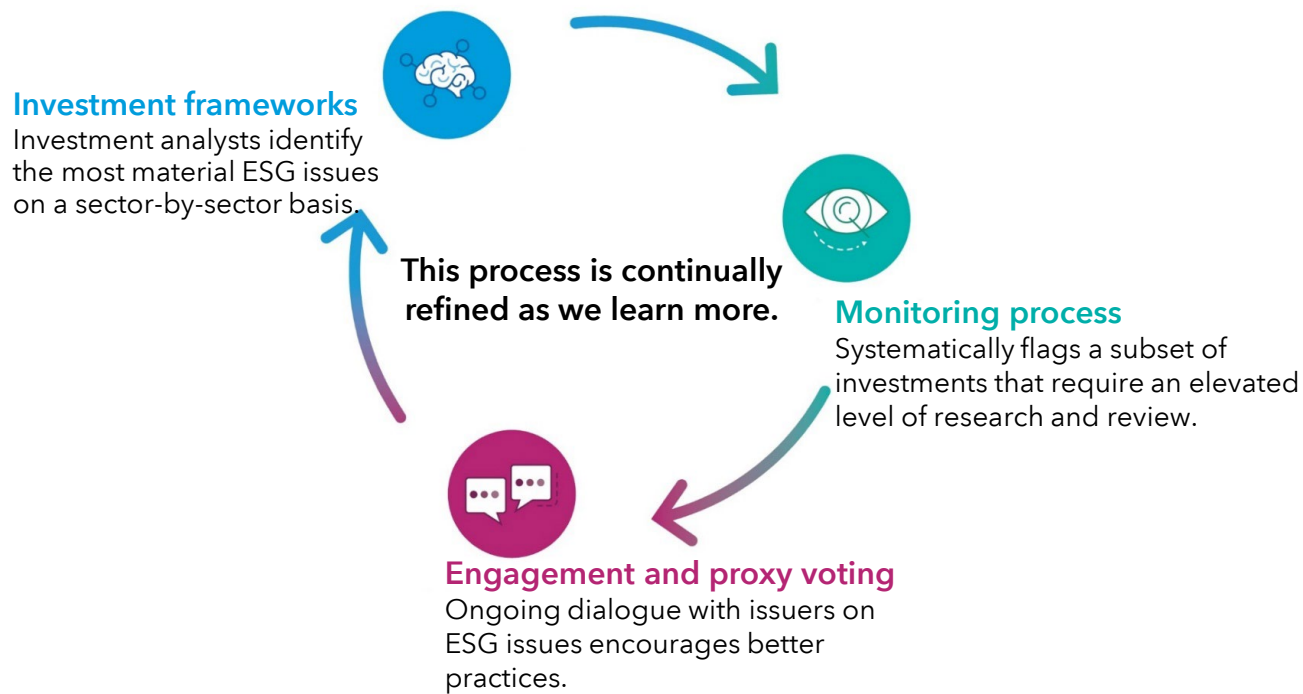


As of December 31, 2021.



# Evaluating ESG risks and opportunities is critical to our investment process

## Our ESG approach features three tightly interrelated components



### An active approach to ESG

- The incorporation of ESG risks and opportunities is deeply woven into our fundamental, bottom-up research process. ESG is not an “add on” step.
- Our **active investment process** ensures a focus on the most **material** issues for each investment.
- Our **long-term approach**, a core part of The Capital System™, fits naturally with the time horizons associated with ESG risks and opportunities.

© Capital Group. All rights reserved.

### Systematic approach to ESG integration

- ESG is systematically integrated into our investment process through **three components**:
  - Investment frameworks
  - Monitoring
  - Engagement and proxy voting
- The three components of our process allow us to **assess** impact and **report on outcomes**.

ESG = Environmental, Social and Governance.  
As of December 31, 2021. Source: Capital Group.

### Investor-led approach to stewardship

- We believe **engagement is a stronger tool than exclusion**. Dialogue and engagement help us understand how companies operate.
- We analyze corporate governance issues on a case-by-case basis and **exercise our voting** rights in order to maximize value for our clients.
- Our approach is made more powerful by the fact that our engagement and proxy voting are **led by our investment professionals**.

# The Capital Advantage<sup>®</sup>

---

## Aligned With Investor Success

We base our decisions on a long-term perspective, which we believe aligns our goals with the interests of our clients. Achieving superior, long-term returns is our only goal, so managers are rewarded for their results, not the level of assets they manage. Collectively, Capital Group associates are significant investors in the company's investment offerings.

---

## The Capital Advantage<sup>®</sup>

Our investment process, The Capital System, is designed to enable individual investment professionals to act on their highest convictions, while limiting the risk associated with isolated decision-making. Portfolios using The Capital System are divided into portions that are managed independently by investment professionals with diverse backgrounds, ages and investment approaches. A disciplined, multilayered governance structure oversees the system's operation.

---

## Built to Last

As a private firm with an independent charter and robust balance sheet, we invest in improving our capabilities through good markets and bad. We have some of the most experienced investment professionals, a deep bench and a commitment to sustaining our investment process over generations.

As of December 31, 2021.

# Our Investment Philosophy Is Based on Doing What We Believe Is Right for Clients

“[American Funds’] multiple-manager approach has produced consistently competitive risk-adjusted returns and a strong investment culture with high manager and analyst retention. The managers are heavily invested in the funds they manage, and their bonus calculations include eight-year performance, which frees them to focus on long-term results.”

- Morningstar, May 2013

- **We reward long-term results:** Compensation paid to our investment professionals is heavily influenced by results over one-, three-, five- and eight-year periods, with increasing weight placed on each succeeding measurement period to encourage a long-term investment approach.
- **We invest alongside you:** Collectively, Capital Group associates are significant investors in the company’s investment offerings.
- **Why it matters:** Aligned by philosophy, incentives and ownership, our interests are deeply intertwined with those of clients.

## A Long-Term Perspective on Behalf of Clients

Average holding period (years)



Compensation basis (years)



# The Capital Group “Small Cap - Bringing into focus”

In the last 18 years across the three equity units, Capital Group is invested in over **3,500 small cap companies** with a total market value of close to **\$200B**

## SMALLCAP World Fund®

Began operations: April 30, 1990

The fund gives investors access to a diverse world of small companies, which are often in the early stages of growth.

- **Growth potential**

We consider all companies with under \$6.0 billion market cap to be part of our small cap universe. Their size often allows them to react more easily to changes in the market, but also involve more risk than their large-cap counterparts.

- **Global opportunities**

SMALLCAP World Fund is able to take advantage of opportunities by investing in small-cap companies worldwide. At its most recent fiscal year-end on 9/30/21, the fund was invested in over 902 companies in close to 41 countries and close to 68 industries.

- **Disciplined research**

Since up to 76% of the companies listed on the world’s stock markets are small- cap, it can be difficult for most traditional analysts to follow them all. Our small-cap research team strives to stay at the forefront of change. This is important given the more volatile nature of small-cap investing.

## Portfolio digest

Fiscal years ended September	2021	2020	2019	2018	2017
Fund assets (in millions)	\$81,214.2	\$54,699.2	\$43,955.4	\$43,877.0	\$36,889.2
Portfolio turnover	30%	38%	39%	35%	32%

**Holdings:** 894 (approximate number of companies/issuers as of most recent fiscal year-end)

**Weighted median market capitalization :** \$5,420.00 million

## Asset Mix



■ U.S. Equities	44.7%	■ Non-U.S. Equities	48.1%
■ U.S. Bonds	0.0%	■ Non-U.S. Bonds	0.0%
■ Cash & Equivalents <sup>5</sup>	7.2%		

As of 2/28/2022 (updated monthly)

As of December 31, 2021.

© Capital Group. All rights reserved.

## Experienced portfolio management

The fund’s 16 portfolio managers each manage a portion of fund assets independently and have a median 24 years of investment experience as of the prospectus dated 12/1/2021. A group of investment analysts also manages a portion of the fund.



# Capital Group leadership and governance

The Capital Group Management Committee oversees the firm globally and sets strategic direction.

## Capital Group Management Committee



Tim Armour



Canise Arredondo



Noriko Chen



Mike Gitlin

Joined Capital in

1983

2008

1998

2015



Jody Jonsson



Rob Klausner



Rob Lovelace



Matt O'Connor

Joined Capital in

1990

2011

1985

2008



Caroline Randall



Martin Romo

Joined Capital in

2005

1993

# Capital Group's Corporate Access Team

# Capital Group's Global Corporate Access Team

[AmericasCorporateAccess@capgroup.com](mailto:AmericasCorporateAccess@capgroup.com)

[EuropeCorporateAccess@capgroup.com](mailto:EuropeCorporateAccess@capgroup.com)

[AsiaCorporateAccess@capgroup.com](mailto:AsiaCorporateAccess@capgroup.com)

Capital Group's Corporate Access team has a global footprint and is sector focused to make access to the investment group easy.

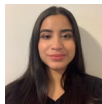
## North America



Erica Canning  
ERLC@capgroup.com  
(Technology, Media, Telecom)



Michelle Itzkowitz  
MWI@capgroup.com  
(Consumer, Energy, Utilities)



Cindy Barrientos  
CYYB@capgroup.com  
(Healthcare, LatAm)



Cindy Li  
CYXL@capgroup.com  
(Materials & Team Coordinator)

## Europe



Valentina Barnfather  
VLTB@capgroup.com  
(Energy, Healthcare & Financials)



Sean Ellerker  
SQE@capgroup.com  
(Consumer, Industrials, Real Estate)



Jade Ions  
JADI@capgroup.com  
(Technology, Media, Telecom, Utilities & Business Services)



Abbey Rainbow  
ABER@capgroup.com  
(Materials & Team Coordinator)

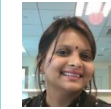
## Asia



Katherine Gu  
KTHG@capgroup.com  
China (Consumer, TMT), HK, Taiwan, South Korea,



Pingping Yang  
PPY@capgroup.com  
Singapore, Australia/NZ, SE Asia, & China (all remaining sectors)



Charlotte Borges  
CQB@capgroup.com  
(India, Thailand, Indonesia & Philippines)



Akiko Miyai  
AKM@capgroup.com  
Japan (all remaining sectors)



Kaku Song  
KAKS@capgroup.com  
Japan (Financials, Energy, Auto, Infrastructure and Pharma)



Emily Chow  
EPMC@capgroup.com  
China (Energy, Materials, Education, Utilities) Team Coordinator



Shari Bento  
SRIB@capgroup.com  
Global & North America Lead  
(N.A. Financials, Industrials & Real Estate)