



**CAPITAL
GROUP™**



DIVERSITY, EQUITY & INCLUSION
AND SUSTAINABILITY REPORT:

Improving lives for generations

For calendar year 2023



Our core values

Integrity

We are honest and always strive to do the right thing.

Client focus

We are grounded in the responsibility to fulfill the needs of our clients around the world.

Diverse perspectives

We actively seek diversity in points of view, experiences and people.

Long term

We are relentless in our pursuit of excellence as we invest, manage and lead for the long term.

Community

We approach all we do with care, respect and thoughtful consideration for each other.

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About this report

This report was published in July 2024 for The Capital Group Companies, Inc. and its subsidiaries (collectively “Capital Group”). Information and data in this report are for the calendar year ended or as of December 31, 2023, unless stated otherwise.

The contents of this report have been devised, in part, based on an analysis Capital Group conducted between 2022 and 2023 to identify topics of interest to our clients, associates and external communities. The analysis included feedback from clients and our associates, peer benchmarking and reviews of external articles and reports. Capital Group also monitors the regulatory and public policy landscape and industry best practices with respect to sustainability reporting for companies and seeks to incorporate relevant elements into our reporting. This report has been prepared with reference to global sustainability reporting standards and frameworks including Sustainability Accounting Standards Board (SASB) Standards and the Global Reporting Initiative (GRI) Standards. Detailed reporting aligned to these standards can be found in the Appendix.

Capital Group has long supported SASB Standards and the Task Force on Climate-related Financial Disclosures (TCFD), which have both been merged into the International Sustainability Standards Board (ISSB), a subsidiary of the International Financial Reporting Standards (IFRS) Foundation. In June 2023, the ISSB issued the global sustainability reporting standards IFRS S1 and IFRS S2. Capital Group is supportive of this development and intends to incorporate these standards in the coming years.

The contents of this report primarily refer to Capital Group’s corporate operations and initiatives with respect to our associates, industry, suppliers and local communities. “Suppliers” are the entities from whom Capital Group procures the goods, services and equipment needed to run our corporate operations. While diversity, equity and inclusion are separate and distinct concepts, when combined they are a collective framework. Throughout this report, we will reference them jointly as a singular noun.

Capital Group incorporates analysis of material environmental, social and governance (ESG) issues as a component of its investment process. Information on how we analyze material ESG issues within our investment process is not covered in detail within this report but can be [found on our website](#).

Cover image: Derivatives Operations Specialist Alex Gaal and his child

Inside cover image: Marketing Associate Kazuna Taguri and Client Relations Analyst Kenta Inoue

Improving lives for generations



Mike Gitlin
Capital Group
President and
Chief Executive Officer

At Capital Group, our mission is to improve people's lives through successful investing. Our associates are passionate about that mission, our distinctive culture and our core values. We recently refreshed our core values, and through a highly collaborative multiyear process we agreed on the following five: integrity, diverse perspectives, client focus, community and long term. These values are our North Star. They reflect who we are and are the foundation for how we advance efforts in diversity, equity and inclusion, as well as sustainability and social responsibility. Living our values every day is what sustains us and drives results for clients.

Integrity: We have a huge responsibility to our clients to do the right thing. It's something our nearly 9,000 associates pride ourselves on, and it's one of the primary traits of Capital Group that attracted me to our company. We take a measured and mindful approach to change, and when we act it's always done in a thoughtful manner that reaffirms the trust our clients and associates place in us.

Diverse perspectives: Teams with diverse perspectives better position us to deliver for clients and lead to superior outcomes over time. The Capital System™, originally formed over six decades ago, was built on differing insights and ideas. We believe that developing diverse teams helps bring together unique perspectives, takes advantage of varied skillsets, and promotes an environment for inclusion and belonging.

Client focus: Simply and strongly put, we exist for our clients. We have always evolved with and for them. Last year, I had the privilege to meet with over 200 clients, and in each meeting the constant was how much they rely on us to be their stable partner of choice. Our clients are global, diverse and passionate about differentiated investment outcomes and excellent service. We aim to deliver solutions for them every single day.

Community: The community we have built and continue to nurture centers on three dimensions:

1. Our Capital Group community: Our colleagues who collaborate and support one another every day.
2. Capital Communities: Over 80% of our associates belong to at least one Capital Community, also known as employee resource groups. These groups are critical to creating and sustaining a culture that reinforces everyone's sense of belonging.
3. The communities where we live and operate: Capital's spirit of philanthropy has pervaded our culture since our founding 93 years ago. This long-standing commitment to giving back through our charitable and volunteering program known as Capital Cares is one way that we live our core value of community. In the past 10 years, Capital has contributed over \$300 million to nonprofits around the world, and nearly all of it has been driven by our associates.

"Living our values every day is what sustains us and drives our results for clients."



Photo: Client Editorial Manager, James Smith, Mike and Senior, Business Development Associate, Shreya Anil

Long term: Being a private company allows us to not just say long term, but to think and act long term. We're focused on delivering for our clients over decades, not years or quarters. We are long term in our investment approach, how we think about talent and how we invest in our business. In what seems to be a turbulent sea of variables in the asset management industry, we aim to be a stable constant for our clients.

Thank you for taking an interest in Capital and who we are. And thank you to our diverse and talented associates for the progress and achievements documented here. I'm proud of the work we've done, and prouder still of our collective commitment to keep improving, every day and every year. We're committed to fostering a culture of excellence that celebrates our values, connects us to our clients and each other, and instills in each one of us the feeling that "I belong."

Mike Gitlin



Photo: Head of Europe & Asia Client Group Guy Henriques and Head of Client Group, Hong Kong & Greater China Toby Chan with Mike

Building connections in our communities



Alexis Rosenblum
Head of Sustainability
and Social Responsibility



Cristina Santos
Head of Diversity, Equity &
Inclusion (DE&I) and Engagement

As leaders at Capital Group for diversity, equity and inclusion (DE&I) and sustainability and social responsibility initiatives, the work we do is deeply connected to our core values. We're excited to bring those connections to life in this annual report!

While Capital exists for our clients, we succeed because of our associates. Our long-term commitment to foster DE&I is central to who we are and it's also a strategic imperative. We believe that diverse teams generate diverse perspectives, every associate deserves the opportunity to flourish, and a strong sense of belonging empowers us all to be our best.

Similarly, our dedication to sustainability and social responsibility reflects how we invest in the world beyond our four walls. It's our work to ensure more people in the communities in which we live and work can benefit from the transformational opportunity to build wealth. It's how we empower our associates to give back to causes and communities they're passionate about. And it's the attention we give to operating in a sustainable manner.

Capital Group's core value of community rings true in both our DE&I and sustainability and social responsibility efforts, whether it's through the supportive and inclusive relationships we build with fellow associates within Capital or how we reach out and support those in need in the world around us. Our dedicated focus areas (at right) show the interconnected nature of this work to help ensure we are well-positioned for the long term.

We recognize that meaningful change cannot happen in isolation; it requires collaboration and partnership. Collaboration with fellow associates, collaboration with our clients and business partners, and collaboration with community-based organizations will ensure we help drive meaningful change.

As you read our latest annual report, we hope you share our excitement for all that's been accomplished with the promise for even more to come. Thank you for your continued support and partnership in this important journey.

Sincerely,

Alexis Rosenblum and Cristina Santos

Our focus areas



Diverse teams

We want a Capital Group that best reflects the global talent pool, within teams and at all levels.



Opportunity

All associates should have the chance to grow and build a rewarding career at Capital Group.



Belonging

We want every associate in every office around the world to feel seen, heard and valued so they can thrive.



Social impact

We want more people to benefit from the transformational impacts of wealth by improving access to financial resources, building trust in financial institutions and helping to shift mindsets from scarcity to empowerment.



Capital Cares

Through our associate-driven giving programs, we empower associates to give back to their communities through charitable donations to nonprofits of their choice, volunteerism and nonprofit board service.



Environmental stewardship

We aim to decrease the environmental impact of our corporate operations through renewable energy, energy-efficient site design and management, and offsetting the emissions we cannot reduce.

02 Introduction

Photo: Investment Group Senior Coordinators Katherine Macias and Kristin Vallaro



Our mission is to improve people's lives through successful investing.

CAPITAL GROUP AT A GLANCE

The people behind the numbers

Founded in Los Angeles in 1931, Capital Group has been about people from day one. This includes the millions of clients and individual investors around the globe who've entrusted us to protect and grow their assets, and the many thousands of current and former associates who've built Capital Group into one of the world's largest independent investment managers.

Where we operate



8,846

Associates

31

Offices

80+

Languages spoken

93

Years in operation

\$2.5T

Assets under management

HOW WE INVEST

Our portfolios benefit from diverse perspectives

Our approach to managing money on behalf of our clients, The Capital System™, empowers investment professionals to pursue their highest investment convictions within the investment process, informed by fundamental research and rigorous debate.

Within The Capital System, we divide portfolios into segments, each run by an individual manager. We believe the benefit of Capital’s multimanager approach can be boiled down to a simple principle: multiple perspectives on companies, securities, industries and countries can help us navigate near-term noise and periods of economic and market uncertainty more effectively.

The distinctive way we manage money is diverse by design, recognizing that diversity of thought and perspectives can help us deliver better results for our clients. It is a powerful example of why diversity, equity and inclusion is a critical component of how we manage our business.

Our investment approach considers material ESG risks and opportunities

At Capital, we seek to invest in companies and issuers that we believe are well-positioned for the future. Material environmental, social and governance (ESG) issues can be important considerations in effectively managing risk and achieving superior long-term outcomes for our clients. We have, therefore, invested in people, data and technology to thoughtfully integrate the analysis of ESG risks and opportunities into our investment approach.

25+

Proprietary investment frameworks that capture material ESG issues

1,100+

Dedicated ESG engagements in 2023

20+

Data scientists and developers building our proprietary ESG tools

While this report is primarily focused on our operations and how we impact our communities, information about our approach to ESG analysis in our investment process can be found in our [ESG policy statement](#).



Photo: Former Portfolio Manager Claudia Huntington on a research trip

SPOTLIGHT

Fundamental research has been at the heart of The Capital System since our founding in 1931.

Our analysts evaluate management structures, financial strength, products and services, supply chains, resource use, business practices and future earnings forecasts, among other relevant

considerations. This deep research is crucial to identifying investment opportunities and assessing an issuer’s long-term potential to generate value.

A photograph of three diverse professionals sitting on a blue sofa in an office setting. They are positioned in front of a large window that offers a view of a city skyline. The man on the left is bald with a beard, wearing a blue and white checkered shirt and dark blue trousers. The woman in the center has long, wavy brown hair, is wearing a light grey sweater over a white collared shirt, and is holding a pen and a notebook. The woman on the right has blonde hair, is wearing a black top and a green patterned scarf, and is also holding a notebook. They appear to be in a collaborative meeting.

03 Diverse teams

Photo: Investment Group Senior Coordinator Juan Rosso,
Investment Group Senior Coordinator Rosemarie Lennon
and Investment Group Support Lead Sally Goodwin

Diverse teams generate diverse perspectives

We want our organization to reflect the global talent pool, within teams and at all levels. One way we'll achieve this is through clear aspirations, actions and outcomes. Aspirations keep us grounded in what's possible; and actions are what we can manage to and are accountable for – our individual behaviors, our engagement and systems, processes and programs across Capital Group. Outcomes tell us how we're doing so we can adjust when needed and address barriers that come up over time.

We're improving in many ways every year and remain committed to communicating our progress transparently as we approach 2025. [Visit our website](#) for historical data. All data in this report reflects voluntary self-identification selections made by associates, outside of gender data, which aligns with U.S. government reporting requirements and uses the gender categories of men and women. Capital respects that gender is not binary. For more data, as well as definitions and terminology, please see pages 60-61.

The story of our data collection

In 2021, we completed a comprehensive culture assessment that provided us important baseline metrics on our global workforce. Below are some of the data points gathered from associates who voluntarily shared aspects of their identity (85% response rate).

At the end of 2022, we expanded voluntary self-identification options, collecting data (where legally permissible) on many aspects of identity, including sexual orientation, gender identity,

religion, veteran status and race/ethnicity in Europe and Asia-Pacific. The fields available differ by country, and participation ranges between 7% and 34%, depending on the category, as of December 31, 2023.

We're committed to continuing to evolve and expand our approach to data collection and reporting. Our goal is to ensure that future editions of this report represent the full spectrum of diversity present in our organization.

7.3%

Sexual orientation: Bisexual, gay, lesbian, none of the above, pansexual, queer, questioning

0.7%

Gender identity: Agender, genderqueer, nonbinary, transgender, none of the above

3%

Associates with military service

3.7%

Associates with disabilities

13%

Caregivers (of adults)

42.7%

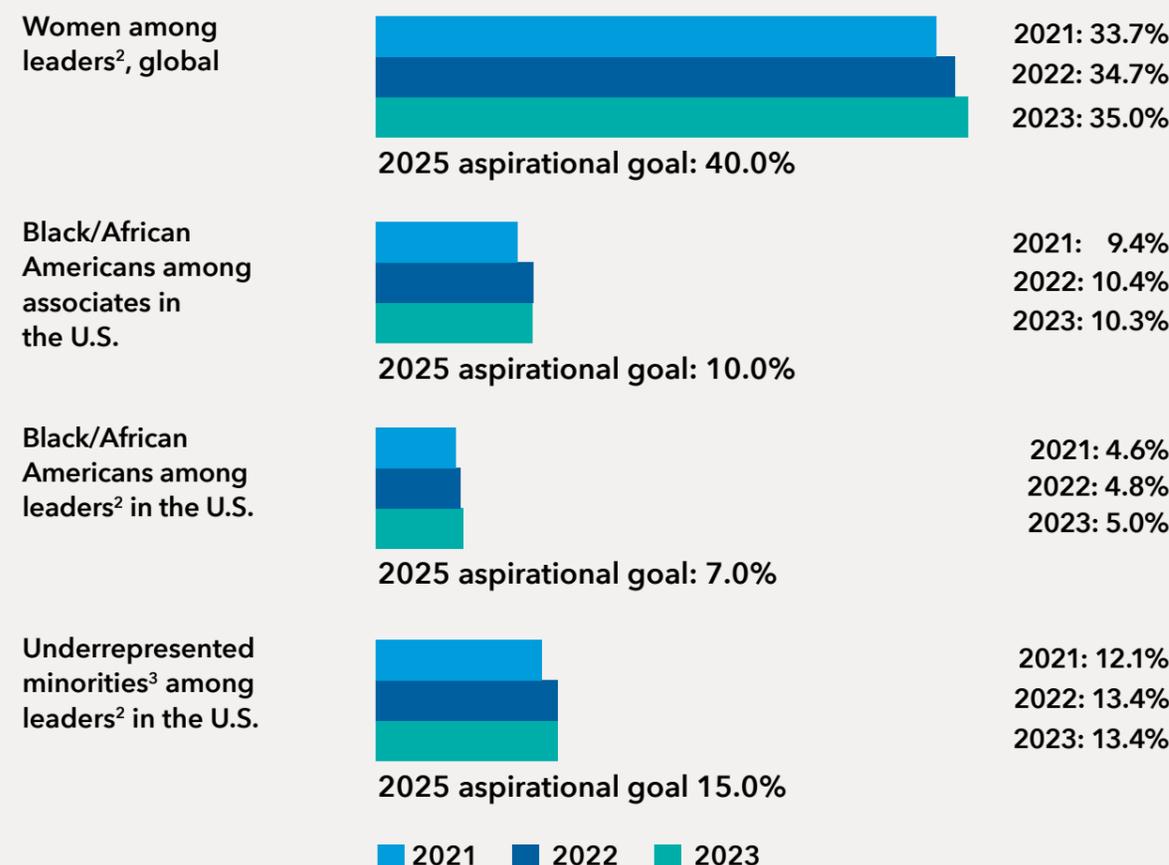
Caregivers (of children)



Photo: Training Senior Specialist Roxane Guerra, Shared Services Operations Consultant
Matt Fuller, Training & Development Manager Stephanie Smith and Training & Development Senior Manager Don Dalton Grobe



Our progress over time¹:



¹Our aspirational goals were established in 2020, and while we've reached some of the goals, we continue to work toward others.

²Leaders are defined as senior managers and above and include investment professionals and sales force associates.

³Underrepresented minorities are defined as Black/African American, Hispanic/Latinx, Native American, Alaskan Native or Hawaiian/Pacific Islander, or Multiracial.

DIVERSE TEAMS

Reflecting the global talent pool



Photo: Operations Senior Manager Yasushi Shiotsuki

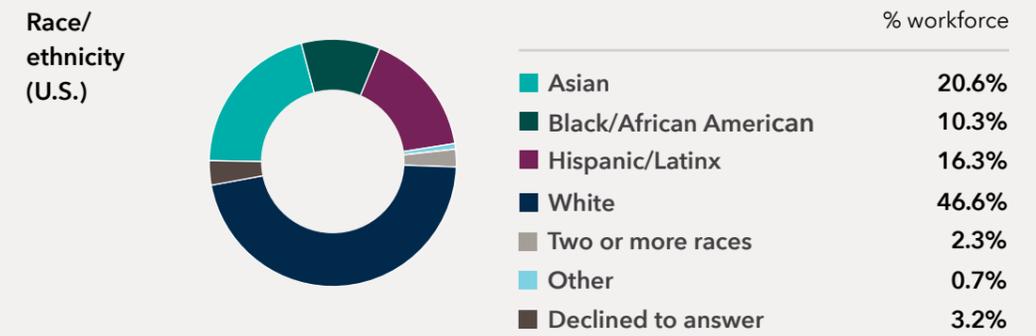
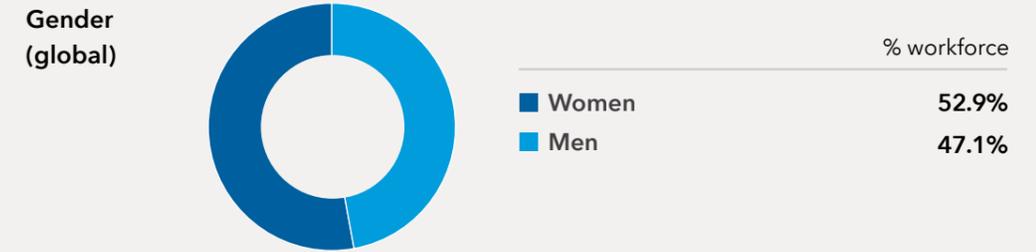
Associate advancement 2023

Promotion rate by gender (global) and race/ethnicity (U.S.)

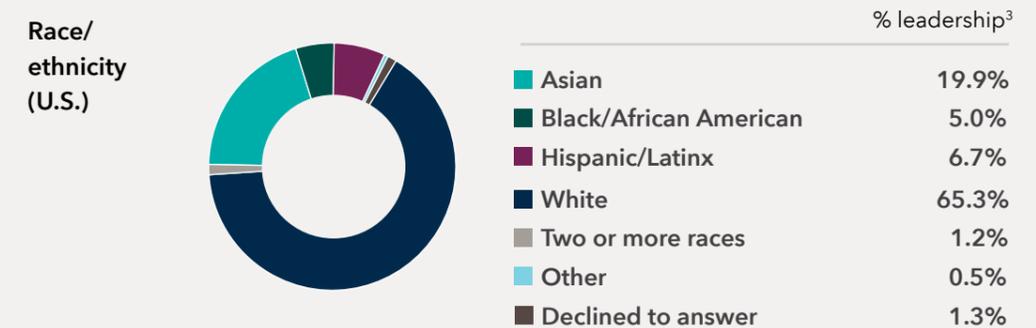
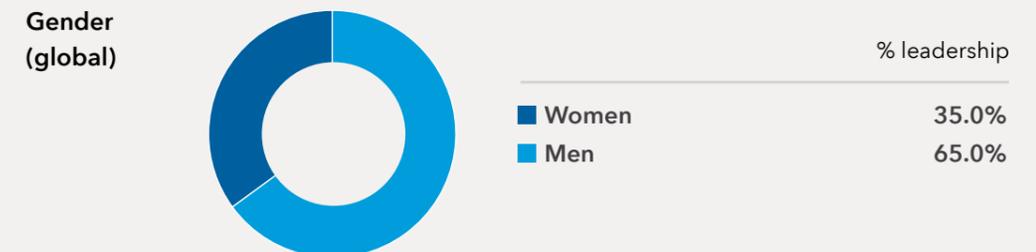


¹Overall global promotion rate.
²Overall U.S. promotion rate.

Associate workforce 2023



Leadership workforce (senior manager and above) 2023



³Total percentage may be less than 100% due to rounding.

DIVERSE TEAMS

Expanding our reach to new associates

In our search for the best and brightest talent, we're always exploring new pathways and expanding our reach to qualified candidates. Our Talent Acquisition team partners with more than 100 organizations, including those who focus on underrepresented minorities and LGBTQ+ and neurodiverse communities.

For example, we are a sponsor of Out for Undergrad (O4U), a conference series for high-potential LGBTQ+ undergraduate students from across the U.S. Results Analyst Mark Archer notes, "We join with other top firms to show a variety of different career paths in the business world and to provide helpful tools to navigate the cultural and social demands of the workplace. Through mentorship, students can learn what it feels like to truly be themselves in a professional setting, which helps to harness their LGBTQ+ identity for career success."



SPOTLIGHT

Searching for hidden potential

By partnering with organizations like The Posse Foundation in the U.S., we're providing students from underrepresented communities with professional development opportunities and connecting with a diverse pool of qualified, talented applicants for summer internships and full-time employment.

Through the foundation's three-month Dynamic Assessment Process (DAP), Capital Group associates participated and helped Posse assess and select 20 students out of 160 to advance to the next step of earning full-tuition scholarships with nine partner

universities in Los Angeles. Scholars become part of a closely knit group who attend college together (a posse) with ongoing mentoring. Posse has successfully identified and trained more than 13,000 students, and their scholars have an impressive 90% graduation rate.

"The students are exceptional and extremely motivated," says Talent Acquisition Manager Derek Cotton, who is part of Posse's Los Angeles Advisory Board and helped organize two Capital Group-sponsored DAP events. "I wish Posse could provide scholarships to them all."

External hiring rate* by gender (global) 2019-2023

	2019	2020	2021	2022	2023
Female	15.8%	7.0%	12.4%	19.3%	8.2%
Male	14.3%	8.0%	11.3%	15.3%	6.3%

External hiring rate* by race/ethnicity (U.S.) 2019-2023

	2019	2020	2021	2022	2023
Asian	18.2%	10.1%	13.7%	16.1%	4.0%
Black/African American	30.1%	13.8%	24.1%	34.7%	13.2%
Hispanic/Latinx	17.0%	6.1%	13.6%	21.9%	4.9%
White	10.9%	5.1%	6.5%	10.5%	3.0%
Two or more races	11.9%	3.9%	30.1%	34.7%	10.7%
Other	27.7%	8.2%	45.7%	31.5%	5.2%

*External hires as a percentage of average headcount.



Photo: Senior Manager Data & Technology Jennice Price and Solutions Engineers Lakshmi Goteti and Denis Baev

04 Opportunity



OPPORTUNITY

Every associate can flourish

Total rewards and fair pay

We reward our associates for their talent and contributions. Our compensation, retirement plan and premier health and well-being benefits are extremely generous. Capital Group annually provides 15% of eligible compensation toward each associate's retirement (up to plan and regulatory limits, and vesting schedule) without any match from our associates.

Our pay practices also are designed to be fair and transparent, and within Capital Group we publish compensation-related resources for associates to understand our

approach. We pay associates based on their job responsibilities, experience, skills and performance – irrespective of race, ethnicity, gender or any other protected characteristic. In North America, we publish salary ranges for job postings and provide salary ranges to associates when requested. We use annual data from third-party global salary surveys to align compensation at the top quartile for similar roles within the markets where we operate.

We conduct annual pay studies across our global locations as part of our approach to fair pay.

We take steps to understand why there may be pay differences and, when appropriate, address these differences in our compensation review process.

Internal mobility

We are intentional about looking to fill positions with internal hires, transfers or promotions. We invite all our associates to create a career profile and participate in our internal career hub. Our associates are able to view all open opportunities – whether they be short-term assignments, full-time roles or part-time project opportunities.



Photo: Portfolio Implementation Compliance Analyst Joao Teixeira and CAP Associate Iole Felicetti

“We believe in a strong connection between performance, sustained contributions and rewards.”

– Andrea Gill, Chief Human Resources Officer

2 bonuses per year

Capital Group associates are eligible to receive both a performance-based bonus and a profit-sharing bonus annually.

Internal mobility¹ by gender (global) and race/ethnicity (U.S.) 2023



¹ Internal mobility movement into positions during the specified reporting period, including lateral moves, promotions and internships/rotations.
² Overall global internal mobility rate.
³ Overall U.S. internal mobility rate.



Photo: Distribution & Production Senior Manager Allen Knight

OPPORTUNITY

Developing the next generation of talent

Our business is a people business – we would not be where we are today without the trust of our clients and the talent, dedication and passion of our associates. Investing in our associates’ professional and personal development is a strategic priority and critical to achieving our mission.

Learning and development

We believe learning happens every day. It plays a crucial role helping associates and leaders achieve their goals and guiding professional development. We use new experiences and opportunities as the most important element of development so associates can enhance their skills and tackle new challenges.

In addition, we encourage learning from others through conversations with colleagues, asking for feedback, job shadowing or sharing knowledge. We also offer training through online learning, conferences and development programs to contribute holistically to growth.



Photo: Senior Marketing Associate Mia Aanei and External Communications Manager Aramide Debo-Aina

SPOTLIGHT

Capital Emerging Leader program

Capital Emerging Leader is a six-month leadership program that examines how building relationships and leveraging networks can influence one’s ability to navigate complex situations. It features facilitated discussions with a Harvard University moderator and virtual small group meetings.

Public Relations Manager Aramide Debo-Aina found the experience to be “eye-opening.” He offers, “It added a new dimension to my way

of thinking as I learned to embrace my own leadership style and how to inspire trust and confidence with others.”

Nhu Nguyen, a portfolio implementation and compliance specialist in Singapore, concurs. “What makes a good leader is having the courage to step up and challenge yourself,” she explains. “The program helped me reflect on how to create a positive team environment in authentic and collaborative ways.”



Photo: Business Development Manager Georgia Archer-Clowes



SPOTLIGHT

Mentoring Matters

Mentoring Matters is Capital Group’s six-month program designed to accelerate associate development, foster a greater sense of inclusion and provide meaningful connections. The company-wide program includes live development chat sessions, one-on-one mentor/mentee monthly conversations and access to online mentoring tools and resources.

Webb Heidinger, a senior vice president based in the Boston metro region, signs up as a mentor each year because of the meaningful contribution he can make.

“It’s an opportunity to pass on the best of what you learn from others and challenge yourself to take a lot of the advice you’re giving,” Webb says. “Most importantly, it’s a comfortable way

to share experiences with a colleague you might have never interacted with before and build lasting friendships.”

Jennifer Lo agrees that the experience helps enrich and motivate associates as they connect with each other. “My mentoring experience helped me bolster my confidence as an early career hire. My mentor encouraged me to take initiative in leading events and presentations and offered valuable advice on delegation and decision-making.”

“Mentoring matters! It’s that simple,” says Jeff Verette, a lead analyst in San Antonio, Texas. “If you can be a mentor, help someone become a new coach in turn. If you’re a mentee, learn alongside a leader and grow.”

2023 MENTORING MATTERS

1,200

Participants

95%

Overall mentee satisfaction

49%

Women

27%

Underrepresented minorities in the U.S.

A woman with her hair pulled back, wearing a white t-shirt and white pants, is sitting cross-legged on a blue mat outdoors. She is smiling and looking towards the right. The background features a black metal fence, a large snake plant in a brown pot, and other green foliage. The scene is brightly lit, suggesting a sunny day.

05 Belonging

BELONGING

Keeping our finger on the pulse

We care about how our associates feel about working at Capital Group and how they experience our culture. Continuous listening is how we gauge real-time progress, encouraging ongoing, two-way communication with associates.

As with other areas of our business, our approach to continuous listening enables consistent monitoring, so we can assess, diagnose and inform short- and long-term decision-making. We aspire to score in the top quartile in associate surveys versus peer companies.

We conduct pulse surveys twice a year, which inform business decisions at the organization, function and team levels.

This regular cadence also favorably builds connection and trust, and ultimately impacts the clients we serve.

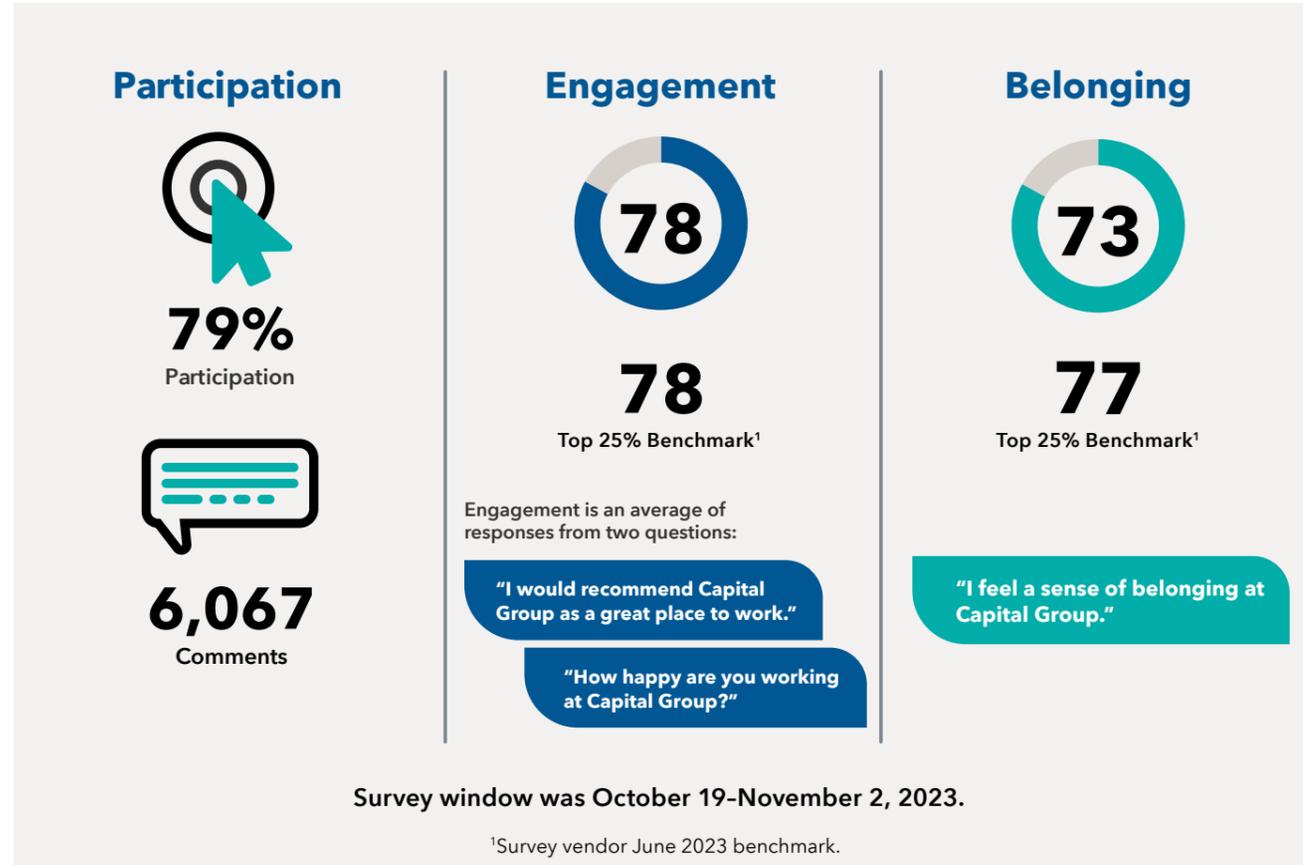
Voluntary attrition rate² by gender (global) 2019-2023

	2019	2020	2021	2022	2023
Female	6.6%	3.4%	6.6%	7.7%	8.4%
Male	6.0%	3.3%	6.2%	6.2%	7.3%

Voluntary attrition rate² by race/ethnicity (U.S.) 2019-2023

	2019	2020	2021	2022	2023
Asian	4.7%	2.6%	6.7%	4.8%	4.9%
Black/African American	8.3%	4.2%	9.8%	11.0%	12.8%
Hispanic/Latinx	6.1%	3.1%	6.6%	7.8%	7.4%
White	6.9%	3.5%	6.1%	6.8%	8.2%
Two or more races	6.0%	4.8%	9.1%	7.5%	10.2%
Other	9.2%	4.1%	0.0%	4.2%	12.1%

²Voluntary attrition as a percentage of average headcount.



BELONGING

Supporting an inclusive and equitable culture

We aim to provide a work environment where associates can feel secure and supported – physically, mentally and financially. Our inclusive benefits reflect our long-term commitment to our associates’ total well-being, and we intentionally invest in offerings that can meet the needs of a broad and diverse base of global associates and their families.

	Fertility care for any individual who needs help to conceive		Subsidized backup elder care and specialist referrals		Annual retirement amounts equal to 15% of associate’s eligible compensation*
	Health-care coverage for all common-law partners		Paid leave and flexible schedules for new parents		Financial assistance for education, including student loan repayment
	Gender-affirming transgender health care		Mental health first aid training		Free financial education, coaching and planning resources
	Financial assistance for adoption and surrogacy		Applied behavior analysis therapy		Pet insurance coverage
	Access to an inclusive, curated high-performance network for mental health care		Flexible work options for associates		Integrated support for alcohol and mental health recovery
	Subsidized backup child care, academic tutoring and college prep		Virtual second opinion with expert physicians		Physical and mental wellness program
			Twelve free sessions with Lyra Mental Health		

Programs vary by country.
*Includes salaries, bonuses, commissions and overtime, up to plan and regulatory limits, and vesting schedule.



Photo: Contemplation room in Geneva office



SPOTLIGHT

Fostering an accommodating and inclusive workplace

Our Inclusive Workspace initiative creates office environments that support all our associates. Whether it’s about ability, culture or gender identity, we want everyone to feel valued and respected.

We look for opportunities to develop innovative spaces in new construction, while at the same time identifying ways to enhance existing spaces. Office Services Director Mark Baker explains, “If we can provide options for associates to more easily integrate their needs and practices into the workplace, it enriches the work experience for everyone.”

Examples include all-gender restrooms, lactation rooms, parents’ rooms and contemplation rooms to accommodate prayer and other mindfulness practices.

“When I first joined Capital, there wasn’t a place where Muslim associates could offer their

daytime prayer,” says Risk and Quantitative Solutions Manager Raza Jaffrey, who is the global co-lead of CG Salaam. “I was happy to work with Office Services to help design our new Contemplation Rooms.”

Raza adds, “Before prayer, Muslims perform a ritual washing called wudu, which is a type of purification or ablution. Having a washing station in the room, or right nearby, is a unique and special benefit.”

Keeping our facilities relevant requires “continuously listening, learning and asking for feedback,” says DE&I Senior Manager Jenna Wilson. “Inclusion is not a one-time destination – it’s important to stay informed of best practices and listen to associates’ evolving needs.”

Photo: Hong Kong associates celebrate Pink Friday Pride



More than 80% of our associates around the world belong to at least one Capital Community:

- Capital Abilities Network
- Capital Associates of African Descent (CAAD)
- Capital Women
- CG Ancestry Research
- CG Arts
- CG Bridge for the Multiethnic/Multicultural Experience
- CG Chaverim
- CG Christian Life Groups
- CG Climate Awareness
- CG Data Explorers
- CG Gaming
- CG Leading and Engaging Asian Professionals (LEAP)
- CG Mental Wealth
- CG Mindful
- CG NextGen
- CG Pets
- CG Pride
- CG Readers: Beyond the Book
- CG Salaam
- CG Sports
- CG Unidos
- CG Veterans Connect
- South-Asian Professionals Influencing Capital Experience (SPICE)
- Working Parents of Capital

BELONGING

Inside the Capital Communities

We support 24 Capital Communities – also known as employee resource groups – which represent a rich diversity of identities and interests, including race/ethnicity, gender identity, sexual orientation, faith, mental health and much more.



Angela Sims
New York
Capital Associates of African Descent Global Co-Lead

“Capital Communities has been a safe space where I have felt welcomed, heard and valued as a woman of color. We all have many facets that make us who we are as human beings, and there are many Communities that cater to these facets. Capital Communities provide an opportunity for me to learn about diverse perspectives other than my own while celebrating shared experiences.”



Siang-Yeen Young
Singapore
Working Parents of Capital Singapore Lead

“One of the reasons I started Working Parents in Singapore is because I benefited from a group of local mothers who met to share resources on parenting and to get parenting tips. They were very generous with their time, and I was thankful for the support. I continue to lead the Community because I hope our associates can benefit from learning from one another (just like I did!).”



James Alexander
London
Capital Abilities Network, European Women’s Community Leadership Team and SPICE

“I’m involved in the Capital Communities so I can empathize with the challenges faced by others, work out how to enable others in an empowering way and be a better ally.”



Richard Spedale
Los Angeles
CG Pride Global Ambassador Co-Lead and CG Women in NACG Male Allyship Cohort Lead

“Taking part in a Capital Community is a valuable opportunity to make connections across the company and provide leadership with valuable insights regarding the unique needs and concerns of specific communities. Belonging to a Capital Community also provides education and safe spaces for personal growth (e.g., expanded awareness of the needs of other associates), along with targeted opportunities for charitable giving and volunteering outside of Capital Group.”



06 Impacting our communities

SOCIAL IMPACT

Building our social impact program

Our mission is to improve people’s lives through successful investing. Yet, we know the benefits our industry offers are not accessible to everyone. While wealth inequality and barriers to accessing financial services are multifaceted issues that we can’t solve alone, we strive to be a champion for solutions that will improve even more lives than we do today.

Launched in 2023, Capital Group’s Social Impact program strives to reduce the barriers to investing for individuals in underserved communities and give more people access to the transformational benefits of wealth. Through our programs, Social Impact aims to increase access to financial resources and advance financial education focused on shifting mindsets from scarcity toward empowerment for those who have been economically disadvantaged.

Community-led programs

We believe that programs aimed at empowering underserved communities can achieve true success only when they begin by understanding the unique needs of those they seek to serve. As we embark on building our Social Impact program, we are committed to keeping this perspective at the heart of our work.

In 2023, we conducted research on barriers to accessing financial services for underserved populations, which included interviewing community-based organizations. Through these interactions, we gained invaluable insights into their firsthand experiences regarding these challenges.

“We’re not just inviting folks to the table; we’re rebuilding the table with our communities at the center of our work,” says Lorna Contreras-Townsend, Sustainability & Social Responsibility senior manager.

Supporting our youth

Children are the future of our economy with the potential to drive long-term economic growth. With effective guidance and access to financial resources, higher education can provide a foundation for earning a good income and building wealth. However, youth from low-income families face challenges in funding their tuition and basic needs while in school. Unexpected financial hardships can cause students to drop out. Our Social Impact initiatives focused on youth emphasize financial resources to help students attain higher education and understand how to manage their finances in college and beyond.

“We’ve had a thought partner in Capital Group, not just a funder.”

Meredith Curry Nuñez, Executive Director, Northern California College Promise Coalition



Photo: Isaac and Meghan, nonprofit leaders at The Education Trust-West, a member organization of NCCPC



SPOTLIGHT

Emergency microgrants help students stay in college

In 2023, Capital Group supported the Northern California College Promise Coalition (NCCPC) in delivering emergency microgrants to under-resourced students. Emergency microgrants are a powerful tool for supporting college students facing financial hardships, helping them stay in school and ultimately contributing to their higher education attainment. According to NCCPC, emergency financial assistance as small as \$500 can prevent a student from dropping out of college. The microgrants supported by Capital Group helped 140 students stay in school by enabling them to afford food, housing, childcare, transportation, health, safety and learning resources.

“We want these students to know they’re not alone,” says Lorna. “Regardless of their circumstances and challenges, they deserve the access and opportunity to receive quality education, whatever their goals may be. They are tomorrow’s changemakers.”

140 Students able to stay in school through emergency microgrants*

*Grant period is from July 2023-June 2024.

SOCIAL IMPACT

Championing economic inclusion

Many of our associates have long been passionate about advancing financial education in their communities. They have laid the groundwork for a longer term strategy through which we're seeking to break down barriers to accessing financial services by demystifying the basics of finance and investing.

In 2023, we partnered with Junior Achievement USA to introduce a financial education curriculum for high school students. Capital Group associates used the curriculum to volunteer in their local communities, empowering young adults with financial literacy skills and paving the way for a future where smart financial choices create more opportunities and security.

Supporting small businesses

Small businesses are the fuel of local economies, fostering community vibrancy and creating jobs. The entrepreneurial nature of these businesses also provides a pathway for individuals to build financial independence and contribute to their communities. However, many minority business owners have historically faced significant challenges. Limited access to information about capital, education and business resources disproportionately affects their growth, limits their opportunities and perpetuates economic disparities. Through our Social Impact initiatives and Supplier Diversity efforts, we strive to empower their success.

Supporting diversity in our industry

Helping diverse talent build strong and lasting careers is not just a goal but an essential imperative of the financial industry. By empowering individuals from a variety of backgrounds, we not only enhance their professional growth but also drive positive change within our sector. These diverse voices bring fresh perspectives, innovative ideas and a deeper understanding of the multifaceted needs of our global economy. Championing diverse talent simultaneously advances the entire industry toward greater equity, resilience and sustainable success.

SPOTLIGHT

Impact through our cash deposits

In 2023, Capital Group deposited \$7 million of its cash reserves through CNote, a women-led social enterprise on a mission to close the wealth gap. Our deposits supported 29 impact-driven banks and credit unions deeply committed to under-resourced

communities. These institutions offer responsive and affordable financial products and services to low- to moderate-income communities and other under-resourced groups, like women entrepreneurs.



Photo: Retirement Income Counselor Keon Scott



SPOTLIGHT

Association for Wholesaling Diversity

Established in 2016, the Association for Wholesaling Diversity (AWD) is a consortium of Black/African American financial services wholesaling professionals serving all channels, lines of business and regions of the U.S. With 750 members nationwide, AWD has seen exponential growth in recent years. The group provides educational outreach to predominantly Black/African American college students about career opportunities in wholesaling, provides mentoring and counseling to Black/African American internal wholesalers looking to become external wholesalers, and partners with financial services firms who recognize the need to attract diverse wholesalers industry-wide.

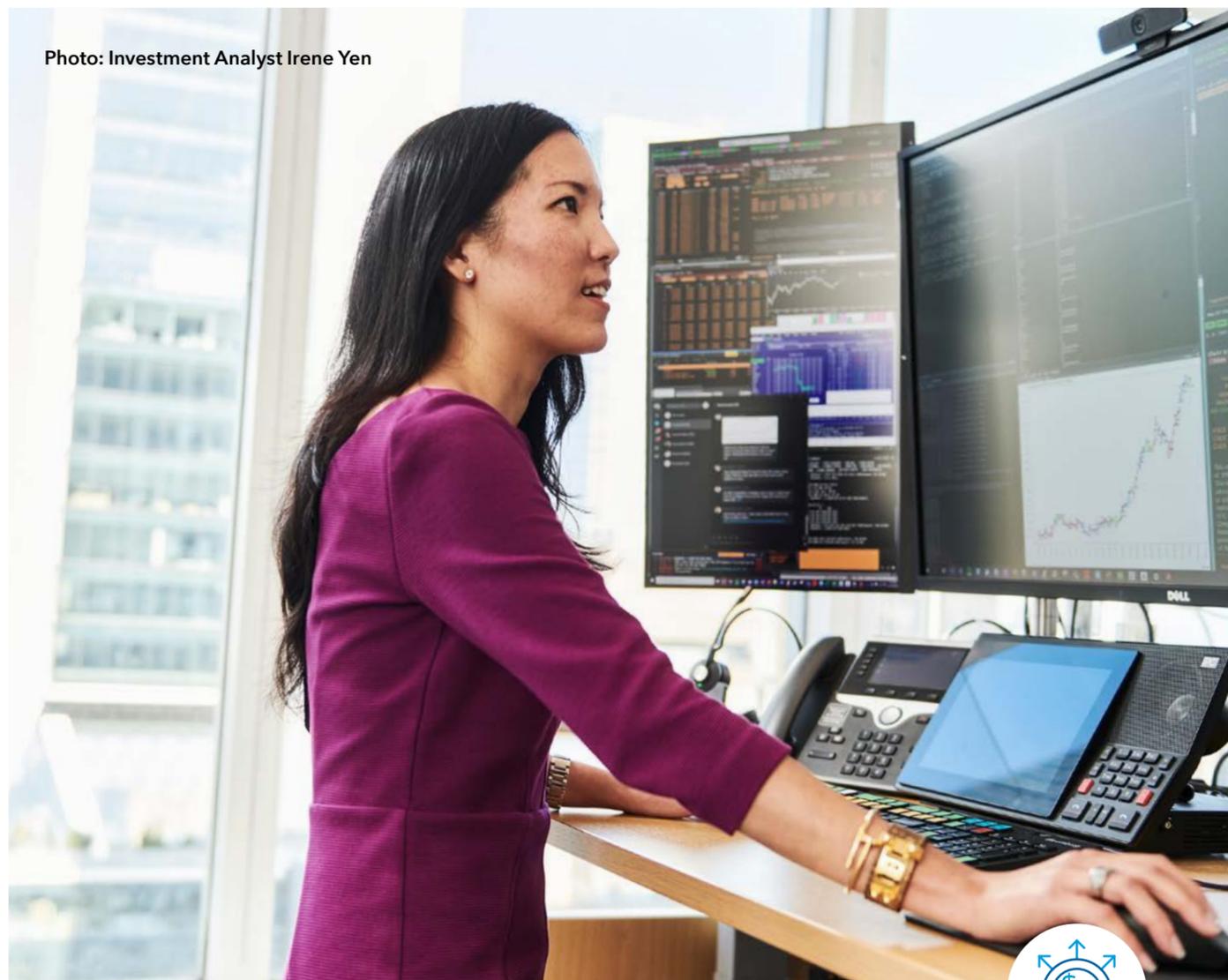
For the last few years, Capital Group has partnered with AWD, which includes among its active membership 15 of our associates representing the Wealth Management, Institutional Retirement and Insurance channels,

and business management. Keon Scott, part of our Institutional Retirement sales team, serves as AWD's regional leader for the mid-Atlantic region and is the consortium's resource director, ensuring that members can access necessary services and available resources to support professional development and career advancement.

"AWD was born out of a real need," explains Keon. "In the financial industry, it's hard to find professionals who look like you. Black wholesalers need a support system and have found it in an organization that fosters networking, mentorship and career opportunities."

Keon adds, "My goal is to help others find excellence in this field. I'd like to pave the way for those who come behind me. It's the right thing to do."

Photo: Investment Analyst Irene Yen



SPOTLIGHT

Solugenix

Since its founding in 1969, Solugenix has become a leading innovator in the technology industry. The company plays a key role in the evolution of technology solutions, including software development and IT infrastructure. As a minority-owned and -led business, Solugenix prides itself on its diverse workforce, achieving gender balance and fostering an inclusive culture that embraces a variety of perspectives.

Solugenix's longstanding partnership with Capital Group, which began in 1989, is a great example of enduring business relationships. With a dedicated team of over 240 consultants across

various locations, this collaboration showcases Solugenix's robust capabilities and its ability to deliver technology-driven solutions that enhance business performance.

The company is actively involved in initiatives like the Arizona Science Bowl and collaborates with organizations such as Women in Technology International. These efforts highlight their dedication to enhancing STEM education, offering career advice to both seasoned professionals and recent graduates, and supporting the advancement of women in technology.

SUPPLIER DIVERSITY

Partnering with diverse vendors and suppliers

Building strong connections with our business partners is a cornerstone of our success. We're committed to lasting relationships with suppliers who provide high-quality and competitively priced services. This includes cultivating partnerships with, and supporting the growth of, qualified diverse suppliers and small businesses. Doing so is good business and supports economic growth in our communities.

In 2021, we laid the foundation by creating a Supplier Diversity & Sustainability program. Building on that momentum, in 2022 we put a strategy into action with both business-unit and enterprise-wide goals based on industry standards.

2023 results and outcomes

For fiscal year 2023, 1.8% of our spend was with 70 suppliers that are women-, minority-, LGBTQ+-, disability- and/or veteran-owned. We make progress by improving our process to find qualified suppliers and by ensuring diverse suppliers are fairly considered. Our roadmap includes establishing policies, sourcing and contracting procedures, and accelerating business unit engagement.

We launched Capital Group's [Supplier Code of Conduct](#) in 2023, which provides recommended best practices for suppliers. These recommendations include

fair labor and human rights, DE&I, environmental stewardship and ethical business practices.

Program enablement initiatives

In 2024, we're launching several initiatives aimed at discovering new opportunities for spending with potential suppliers.

- [Supplier registration](#) has been implemented to allow prospective vendors to sign up through our website. This system allows us to conduct searches to find suppliers according to specific requirements (e.g., expertise, location, etc.).
- Our diverse businesses reporting program will involve our top 25 suppliers. This program helps support equal opportunity among our business partners.

SPOTLIGHT

Minority/Women-Owned Business Enterprise brokers

Our approach to supplier diversity can be seen in our trading practices, where our core values of client focus and diverse perspectives come together. We actively engage with Minority and Women-Owned Business Enterprise (MWBE) brokers, including Disabled Veteran Business Enterprise (DVBE) brokers, to identify partnership opportunities where they can deliver the best execution

for our clients. As a result of our concerted efforts, we have increased the number of approved MBWE counterparties and the notional trading volumes executed through such brokers. We'll continue to look for ways to expand engagement – through industry forums, enhanced technology and monitoring regulatory changes – as part of our ongoing support of qualified MWBE brokers.

CAPITAL CARES

Empowering associates to give back

Since Capital Group’s founding in 1931, our associates have been deeply involved in their communities, beginning in Los Angeles and evolving globally as our organization has grown. Our associate-driven philanthropic giving and volunteering programs, which we call Capital Cares, are an important expression of how we value community and empower associates to make meaningful contributions to the causes they are passionate about. Nearly all our giving, which over the past 10 years has totaled more than \$300 million, is directed by our associates.

Capital Cares programs

Our associate-driven giving programs include:

- **Matching Gifts** that amplify associates’ personal contributions at a 2:1 ratio
- **Associate Involvement Grants** that can be requested by associates for eligible nonprofits where they’re involved in a significant way as a volunteer or board member
- **Community Action Days** that bring groups of associates together for half-day or daylong volunteering projects
- **Equity & Justice Donation Program** through which associates can direct donations to eligible charities advancing equity and/or justice
- **Milestone Anniversary Donations** that celebrate every fifth-year anniversary with a gift that associates can direct to the nonprofit of their choice
- **New Associate Donations** that welcome our newest associates to our giving programs, and to Capital Group, through a contribution that they direct to their favorite nonprofit
- **Volunteer Rewards** that turn associates’ volunteer hours into donations

\$46.7M

Donations in 2023

92,500

Hours volunteered

5,000+

Nonprofit organizations supported

519

Associates involved with nonprofit boards or committees



Photo: Talent Acquisition Advisor Lead Parveen Coomar



SPOTLIGHT

Associate Involvement Grants

Through Associate Involvement Grants, Capital Group provides funding to eligible nonprofits where associates or their spouse/spouse equivalent are involved in a significant capacity as board members, committee members or ongoing volunteers. Grant amounts are based on involvement level or volunteer hours. In 2023, 685 associates directed \$17.2 million in grants to more than 600 organizations.

Talent Acquisition Advisor Lead Parveen Coomar says she feels proud and uplifted when reflecting on Capital Group’s long-term support for the National Kidney Foundation. As a board member, Parveen helps to ensure the foundation has adequate resources to advance its mission, providing her an opportunity to contribute to the community and change lives in a palpable way.

“Capital Group has provided \$106,000 over the past five years due to my involvement with the foundation,” Parveen says.

“The long-term support from Capital Group has been so meaningful to our ability to drive significant change in the community,” says Amy Hewitt, Executive Director of the National Kidney Foundation. “In addition to supporting our regular programs for dialysis professionals and patients, these types of unrestricted grants allow us to bring together stakeholders in California to drive systemic change in health care and create a roadmap prioritizing education and prevention for kidney disease.”

“I’m simply amazed at all of the support I’ve received,” Parveen adds. “The difference one associate can make with a nonprofit is priceless.”

CAPITAL CARES

Associate-driven giving and volunteering

Caring for people and the communities in which we live and work is central to who we are at Capital Group. For many of our associates, getting involved through Capital Cares has afforded meaningful experiences across a breadth of causes and stronger connections with each other.



Margherita Bianchi
Milan
Client Group Assistant

“Capital Cares has encouraged me to donate more, knowing that my small contribution, along with CG’s support, can make a difference to the lives of people in many difficult environments.”



Shan Khoja
Los Angeles
Client Analytics Specialist

“Spending time with fellow associates has been one of my favorite parts of a Community Action Day and brings out our core value of Community in a special way.”



Adrien Kühne
Geneva
Solutions Engineer

“Capital Cares shows that small actions in our communities can result in significant benefits to others.”



Aminata Gravet
Geneva
Legal and Compliance Specialist

“Capital Cares is important to me since I’ve always been involved with different charities. I feel fortunate and proud to work for an organization that supports charities and community involvement.”

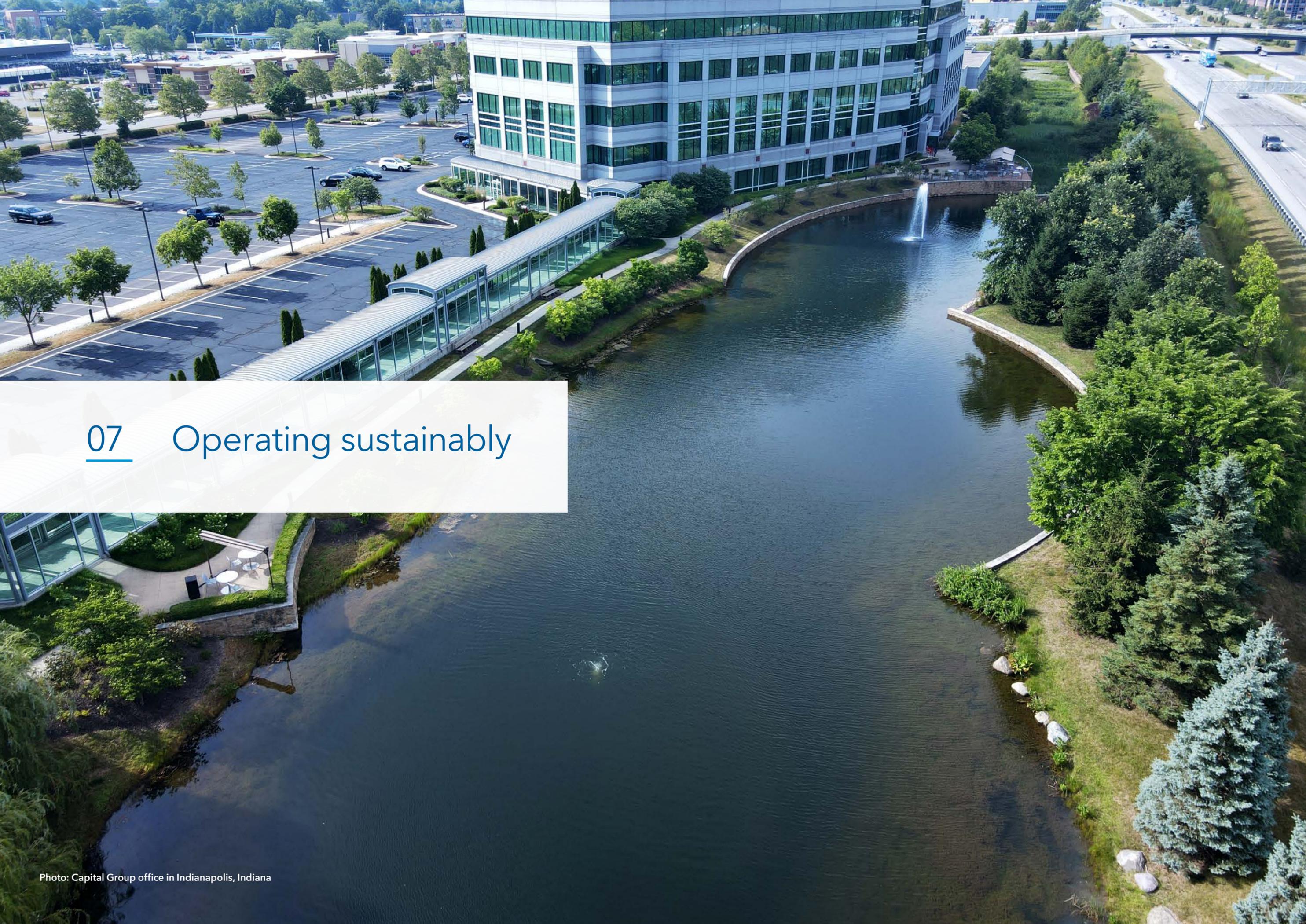


Photo: Capital Group associates volunteering



Our donations support a broad range of nonprofit organizations and issue areas globally, including:

- Animals
- Arts & culture
- Basic & emergency aid
- Community development
- Education
- Environment
- Family services
- Financial education
- Housing & homeless services
- Human rights
- Physical & mental health
- Sports & recreation
- Workforce development
- Youth development



07 Operating sustainably

OPERATING SUSTAINABLY

Reducing our greenhouse gas emissions

Like many of the priorities we choose to pursue as an organization, our commitment to operating sustainably began with a few passionate associates who saw an opportunity to make a difference. This grassroots effort led to the foundation of Capital Group’s environmental stewardship program. Today it’s become a business imperative as we work to comply with regulations around the world and respond to our clients, many of whom expect their business partners to manage their environmental impact.

Our goals

We’re committed to reducing our operational carbon footprint by 2025 with meaningful emissions reductions and offsetting. Our commitment to reducing our carbon footprint targets operational greenhouse gas (GHG) emissions from Scope 1 (direct emissions), Scope 2 (indirect emissions) and Scope 3 (business travel).

Our goal is to reduce our operational GHG emissions by at least 25% (relative to 2019) and offset the remaining emissions.

Our progress

Detailed data on our operational GHG emissions and progress toward our GHG emissions reduction goals are reported in our annual [Task Force on Climate-related Financial Disclosures \(TCFD\) report](#).

Compared to 2019, we reduced our overall operational GHG emissions by 40%, driven primarily by improved energy efficiency, increased onsite solar and reduced travel. While these reductions are primarily due to our current strategy, reductions related to travel are expected to normalize in future years.



Sian Otridge
London
Global Co-Lead, Climate Awareness Community

“We partner closely with the Sustainability and Social Responsibility Team and Office Services. As they seek to reduce Capital’s corporate greenhouse gas emissions and limit our environmental impacts, we can help engage associates across all locations and encourage everyone to be environmentally responsible in our daily lives.”

25%

Emissions reduction goal by 2025

3,635 MWh

Renewable electricity generated¹ by onsite solar arrays

¹Some of this electricity is returned to the grid and not used by Capital Group directly.

4

Sites with LEED certification



Photo: Capital Group associates volunteering in Yosemite National Park



SPOTLIGHT

Capital associates’ passion for the environment

Seventeen years ago, an associate-driven, global effort called CG Green began within Capital Group, promoting environmentally friendly practices. Over the years, associates involved with CG Green advocated for and implemented sustainable practices within our offices, creating meaningful ways for associates to engage on this topic. In 2023, that effort evolved into the Climate Awareness Community, Capital Group’s newest employee resource group. Its mission is to create a thriving culture within Capital Group of sustainable and environmentally responsible habits and practices. Within its first year, the Climate Awareness Community has grown to

more than 700 members across 13 offices. Members engage via virtual discussion forums to share ideas and information and they gather locally for events like beach cleanups, lectures and documentary film screenings. This group of associates drew inspiration from former Capital Group Chair Jon B. Lovelace, who was a dedicated environmentalist with a passion for the great outdoors. His commitment to preserving wild lands, like Yosemite National Park, lives on at Capital Group today. Associates, including members of the Climate Awareness Community, continue Jon’s work by visiting Yosemite every year for volunteering and conservation.

Photo: Capital Group office in San Antonio, Texas



SPOTLIGHT

Solar power lights up our campuses

Renewable electricity provides a critical path to GHG emission reductions. We're embracing renewable energy by expanding solar power generation at our owned campuses in Irvine, California; San Antonio, Texas; and Carmel, Indiana. Our largest campus, Irvine, is home to about 25% of our associates. Irvine is also home to our first and largest solar array, which was constructed in 2010 and is now at 2.8 megawatts since the final phase of the installation came online in 2020.

In San Antonio, our largest site in terms of energy consumption, a 2.3-megawatt array was completed in fall 2023 and covers 500,000 square feet of roof space. On a typical day, it's expected to provide 20% to 25% of the site's overall electricity needs. The rooftop system is oriented almost directly south, which allows for the greatest energy production possible. Efforts are now underway in Carmel, Indiana, to complete our third solar installation, furthering our commitment to renewable electricity.

OPERATING SUSTAINABLY

Our corporate sustainability strategy

In 2023, we continued to work toward our corporate sustainability goals with an emphasis on renewable energy and energy-efficient office design.

Renewable energy

We have powered our largest campus, Irvine, California, with renewable energy for the past 13 years. Following the success of onsite solar in Irvine, we worked for the last several years to install an onsite solar array at our office in San Antonio, Texas.

In 2023, we continued to purchase renewable energy certificates (RECs), or their equivalents, to match our energy consumption at each of our global sites – both owned and leased – from the same market where the electricity was consumed to supplement our onsite solar programs.

Office design

Sustainability considerations are an important part of Capital Group's decision-making when designing our offices. When building and designing office space, we prioritize energy-efficient design choices aligned to sustainability best practices, while balancing cost, local requirements and other considerations.

Our new Geneva office is a great example of how we design our spaces with sustainability in mind. This office was designed to incorporate energy- and water-efficient features such as LED lighting, sensors, automated blinds, and dual-flush systems in restrooms to minimize water consumption.

In Tokyo, centralized wastebins segregate 12 waste streams at points of disposal. From there, 11 of 12 streams are recycled. The new Tokyo site also embraces energy efficiency through LED lighting, daylight harvesting, intelligent blinds and a double-skin glazed façade. The water fixtures in our suite are all water-efficient fixtures. We also monitor HVAC usage to ensure systems are running at optimal capacity.

Three of our leased sites and one owned site are LEED

(Leadership in Energy and Environmental Design) certified. In Europe, five of our sites received ISO 14001 certifications for their environmental management systems in 2023.

In addition, 29 offices include facilities for bicycle commuters and/or electric vehicle charging to support sustainable transportation choices by our associates.

Travel

Our success relies on the deep relationships we build with the companies and issuers in which we invest, our clients and each other. We believe in-person interactions are an essential part of building strong relationships even as we adopt new ways to meet virtually.

We also recognize the climate impact of travel and that our actions in managing this impact are increasingly important to many of our clients, associates and regulators. The last few years have provided valuable insights into hybrid work, virtual communication and emerging technology that allows us to build those critical relationships while operating more efficiently.

Vendor and supplier expectations

In 2023, we published our [Supplier Code of Conduct](#) to include an articulation of the value of sustainable practices among our vendors and suppliers. Most importantly, we expect our suppliers to comply with all applicable laws and regulations in relation to environmental protection. We also encourage suppliers to apply a conservation-minded approach to their business activities, including their supply chains. This includes undertaking efforts that encourage the efficient use of natural resources, minimizing waste, measuring and reporting GHG emissions, and reducing those emissions through energy efficiency and/or the use of cleaner sources of energy.

08 Industry-related groups and initiatives



UN SUSTAINABLE DEVELOPMENT GOALS

Supporting the Sustainable Development Goals

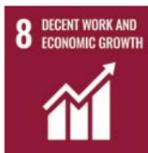
As a participant in the United Nations (UN) Global Compact, we've committed to embedding the UN Global Compact's Ten Principles on human rights, labor, the environment and anti-corruption into our corporate operations practices. We also support the UN Sustainable Development Goals (SDGs) through our business practices. The five areas shown below are where we believe we can have the greatest impact.

SUSTAINABLE DEVELOPMENT GOALS



Achieve gender equality and empower all women and girls.

Our Equity & Justice Donation Program (EJDP) empowers associates to support nonprofits of their choice advancing equity and social justice for women and LGBTQ+, Black/African American and Hispanic/Latinx populations.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Our Supplier Sustainability & Diversity program supports job creation, entrepreneurship and innovation among small businesses, and economic inclusion of underrepresented communities.



Reduce inequality within and among countries.

Through our Social Impact program, we strive to reduce the barriers to investing in underserved communities and give more people access to building wealth.



Ensure sustainable consumption and production patterns.

Renewable electricity provides a critical path to GHG emission reductions, and we're embracing it through solar power generation at our owned campuses in Irvine, California, and San Antonio, Texas.



Take urgent action to combat climate change and its impacts.

We're working to reduce the GHG emissions that arise from our global corporate operations by integrating renewable electricity and sustainability principles within our office design.

Building on our global approach to ESG integration, we have developed our sustainable investing capabilities regionally to consider the regulatory landscape and varied client demands as we seek to deliver superior long-term investment results. Our three multi-thematic sustainable funds, offered to clients in many countries across Europe and Asia, invest across seven sustainable investment themes positively aligned to the UN SDGs.



Photo: Ownership & Securities Control Senior Analyst Damon Dennis and Results Analyst Mark Archer

Inclusive interpretations

We acknowledge that the SDGs do not address every issue that we view as important. Moreover, there are some groups, such as LGBTQ+ individuals, who are not directly referenced. This community often faces the same or similar challenges to other underrepresented groups. With this in mind, we have applied the following inclusive interpretations when evaluating our contributions to supporting the UN SDGs:

We interpret SDG 5 (Gender equality) to include equality for those who identify as transgender or nonbinary in addition to women and girls.

We interpret SDG 10 (Reduced inequalities) to include reducing inequalities with respect to sexual orientation in addition to age, sex, disability, race, ethnicity, origin, religion or economic or other status.

The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or member states.



INDUSTRY ENGAGEMENT

Participation in global and regional organizations

Capital Group engages with global and regional industry groups to share best practices and contribute to industry standards. Examples of organizations in which we participate, or are signatories, are shown below.

Diversity, equity & inclusion

- #10000 Interns
- Ascend Pan Asian Leaders
- Black Women in Asset Management
- CEO Action for Diversity & Inclusion
- Disability Confident Scheme
- Diversity & Inclusion in Asia Network
- Diversity Project
- Human Rights Campaign
- Management Leadership for Tomorrow's Racial Equity at Work

Supplier sustainability & diversity

- Disability:IN
- The Financial Services Roundtable on Supplier Diversity
- National LGBT Chamber of Commerce
- The National Minority Supplier – Development Council
- National Veteran-Owned Business Association
- The Women's Business Enterprise National Council

Sustainability & social responsibility

- United Nations Global Compact

Investment-related ESG initiatives

- CDP (formerly the Carbon Disclosure Project)
- Ceres Investor Network
- Farm Animal Investment Risk and Return (FAIRR)
- International Sustainability Standards Board Investor Advisory Group
- Net Zero Asset Managers Initiative (part of Glasgow Financial Alliance for Net Zero)
- Task Force on Climate-related Financial Disclosures
- UN Principles for Responsible Investment

Corporate governance & stewardship

- Asian Corporate Governance Association
- Canadian Coalition for Good Governance
- Eumedion Corporate Governance Forum
- Investor Stewardship Group
- U.K. Stewardship Code Signatory
- Japan Stewardship Code Signatory
- Hong Kong Stewardship Code Signatory
- The Investor Forum (U.K.)

Please refer to our website for the full list of our signatories and memberships:
<https://www.capitalgroup.com/institutional/policies-and-disclosures.html>

SPOTLIGHT

Disability Confident Scheme: Actively engaging with associates to make Capital Group accessible to all

Capital believes in the importance of disability inclusion. In North America, our Capital Abilities Network – a Capital Community – expanded its scope to include several initiatives in support of neurodiversity.

We've also been recognized by the U.K. government's Disability Confident Scheme at the second level as a "disability-confident employer." Supported by the Diversity Project, the program helps employers improve how they recruit, retain and develop individuals living with disabilities. Our participation underscores our commitment to a disability-inclusive workplace.



09 Appendix

- Diversity metrics
- SASB reporting
- GRI content index



Diversity metrics

Capital Group is committed to providing transparency on DE&I metrics consistent with industry reporting standards. The following tables provide diversity metrics aligned to EEO-1, SASB and GRI standards (referenced standard included in table titles) as of December 31, 2023. Each standard calls for different views of the data, which align to the categorizations provided below. EEO-1 and SASB metrics are based on the methodology dictated by the Equal Employment Opportunity Commission (EEOC) in the U.S. This is a different methodology than used in the body of this report and in the GRI-aligned tables, which reflect internal levels and relies on voluntary self-identification.

Gender & regional representation global – GRI 405-1

	Men	Women	Europe/Asia	North America
Management Committee	50.0%	50.0%	20.0%	80.0%
Operating Group	63.6%	36.4%	36.4%	63.6%
Board of directors	56.0%	44.0%	32.0%	68.0%
Investment professionals	70.3%	29.7%	35.7%	64.3%
Leaders (senior managers and above)	65.0%	35.0%	20.6%	79.4%
All associates	47.1%	52.9%	13.5%	86.5%

Age group representation global – GRI 405-1

	Under 30	30–49	50+
Management Committee	0.0%	20.0%	80.0%
Operating Group	0.0%	18.2%	81.8%
Board of directors	0.0%	36.0%	64.0%
Investment professionals	4.9%	62.1%	33.0%
Leaders (senior managers and above)	1.7%	58.6%	39.7%
All associates	11.3%	59.5%	29.2%

Racial/ethnic representation (aligned to GRI) – U.S.

	Asian	Black/African American	Hispanic/Latinx	Other ²	White	Two or more races	Declined to answer
Management Committee	12.5%	0.0%	12.5%	0.0%	75.0%	0.0%	0.0%
Operating Group	0.0%	0.0%	14.3%	0.0%	85.7%	0.0%	0.0%
Board of directors	11.8%	5.9%	11.8%	0.0%	70.6%	0.0%	0.0%
Investment professionals	28.9%	5.5%	7.4%	0.9%	55.6%	0.3%	1.3%
Leaders (senior managers and above)	19.9%	5.0%	6.7%	0.5%	65.3%	1.2%	1.3%
All associates	20.6%	10.3%	16.3%	0.7%	46.6%	2.3%	3.2%

Racial/ethnic group representation U.S. – EEO-1¹

	Asian		Black/African American		Hispanic/Latinx		White		Two or more races		Other ²	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
Executive/senior officials and managers ³	38	49	7	12	11	14	59	139	1	0	0	2
First/mid officials and managers ⁴	132	152	55	34	80	67	336	413	13	8	1	4
Professionals ⁵	489	569	91	84	212	235	650	772	45	35	12	15
Sales workers ⁵	9	16	3	15	4	20	65	252	1	5	0	1
Administrative support ⁶	119	40	415	105	465	190	650	302	56	17	15	5
TOTAL	787	826	571	250	772	526	1,760	1,878	116	65	28	27

Racial/ethnic group representation U.S. – SASB FN-AC-330a.1

	Asian	Black/African American	Hispanic/Latinx	White	Two or more races	Other ²
Executive management	26.0%	5.0%	7.7%	60.5%	0.6%	0.3%
Non-executive management	21.8%	6.9%	11.4%	57.7%	1.7%	0.5%
Professionals	32.1%	4.7%	10.8%	49.3%	2.2%	0.6%
All other employees	12.8%	17.1%	24.6%	41.8%	2.9%	0.7%
All associates ⁸	21.2%	10.8%	17.1%	47.8%	2.4%	0.06%

Gender representation U.S. – SASB FN-AC-330a.1⁷

	Women	Men
Executive management	31.2%	68.8%
Non-executive management	47.8%	52.2%
Professionals	41.8%	58.2%
All other employees	67.3%	32.7%
All associates	52.9%	47.1%

¹This is not an official EEO-1 filing but is aligned to our submission to the EEOC.

²Other includes American Indian or Alaskan Native, Native Hawaiian or Other Pacific Islander, and None of the Above.

³Aligns to SASB Executive Management.

⁴Aligns to SASB Non-Executive Management.

⁵Aligns to SASB Professionals category.

⁶Aligns to SASB All Other Employees.

⁷Global data using the breakout under the SASB Standard is not available.

⁸Total percentage may be less than 100% due to rounding.

Our data and terminology

- All gender data are collected globally. To align with U.S. government reporting requirements, data in this report use the gender categories of men and women. Capital respects that gender is not binary.
- Race/ethnicity data capture all U.S. associates based on the information they have chosen to disclose. The race/ethnicity information throughout this report reflects voluntary self-identification selections made by associates unless otherwise noted.
- The category of Other includes associates who identify as American Indian or Alaskan Native, Native Hawaiian or Other Pacific Islander, and none of the above.
- Associates are defined as all full- and part-time salaried associates (including overtime-eligible employees).
- Leaders are defined as senior managers and above and include investment professionals and sales force associates.

SASB Standard for Asset Management & Custody Activities

The following is Capital Group's reporting in accordance with the SASB Asset Management & Custody Activities Standard 2021-12.

TRANSPARENT INFORMATION AND FAIR ADVICE FOR CUSTOMERS

FN-AC-270a.1

(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings

Capital Group does not disclose this information.

FN-AC-270a.2

Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers

Capital Group does not disclose this information.

FN-AC-270a.3

Description of approach to informing customers about products and services

When approaching clients or prospective clients about our services, we are subject to a range of regulations and internal policies regarding the accuracy and fairness of the messaging. The way we communicate with our clients varies and includes several factors, including applicable laws and regulations, the type of client, and the product or service being discussed. In all cases, we provide relevant information to our clients regarding the service provided, costs and risks. In the case of investments, we provide the fund's or product's constituent documentation (e.g., prospectus) and the investment strategy, characteristics, fees and expenses, and results. For more information about our products and services, refer to capitalgroup.com.

DIVERSITY, EQUITY & INCLUSION

FN-AC-330a.1

Percentage of gender and racial/ethnic representation for (1) executive management, (2) non-executive, (3) professionals, and (4) all other employees

Please refer to Diversity Metrics on page 61 for representation data aligned to this SASB metric. Please refer to pages 14-33 of this report for information about Capital Group's DE&I programs.

INCORPORATION OF ESG IN INVESTMENT MANAGEMENT AND ADVISORY

FN-AC-410a.1

Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability-themed investing and (3) screening

(1) Capital Group manages USD 2.5 trillion in actively managed equity, fixed income and multi-asset investment portfolios through funds and segregated accounts worldwide. Our research-driven, long-term investment approach integrates material ESG risks and opportunities into investment decisions across our strategies. (2) Not applicable. (3) Not disclosed.

FN-AC-410a.2

Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies

Capital Group's approach to the analysis of material ESG factors within our investment process can be found in our [ESG policy statement](#) and on our [website](#). Information specific to our approach to climate-related risks and opportunities can be found in our [Task Force on Climate-related Financial Disclosures report](#).

FN-AC-410a.3

Description of proxy voting and investee engagement policies and procedures

Please refer to Capital Group's [Stewardship report](#) and [Proxy Voting Guidelines](#) for details on our approach to proxy voting and engagement.

BUSINESS ETHICS

FN-AC-510a.1

Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations

Capital Group does not disclose this information.

FN-AC-510a.2

Description of whistleblower policies and procedures

Capital Group's Code of Ethics provides that all associates and third parties performing work on behalf of Capital Group are required to report violations of applicable law, including fraud, intentional misstatements in regulatory filings or the company's books or records, or any activity that would be harmful to Capital's shareholders or clients. Associates are provided with multiple avenues to report such conduct, including internal and external legal counsel. Associates can also report violations anonymously through the Company's Open Line. The [Code of Ethics](#) further provides that Capital Group strictly prohibits retaliation against anyone who in good faith makes a complaint, raises a concern, provides information or otherwise assists in an investigation regarding any conduct that he or she reasonably believes to be in violation of the [Code of Ethics](#). All associates are required to certify that they have read, understood and complied with the [Code of Ethics](#) annually. Capital Group also maintains separate whistleblower policies in compliance with the laws of the various countries in which it operates.

ACTIVITY METRICS

FN-AC-000.A

(1) Total registered and (2) total unregistered assets under management (AUM)

Capital Group manages USD 2.5 trillion, of which approximately 95% is in registered investment vehicles including mutual funds regulated under the Investment Company Act of 1940 and UCITS in Europe.

FN-AC-000.B

Total assets under custody and supervision

Not applicable.

GRI content index

Capital Group has reported the information cited in this content index for the reporting period January 1, 2023, through December 31, 2023, with reference to the GRI standards. The following content index provides the location of information that is responsive to each GRI metric in this report or in other publicly available documents. The below GRI metrics have been selected because they cover topics we believe to be of interest to our clients, associates and other stakeholders.

GRI 1: USED

GRI 1: FOUNDATION 2021

GRI 2: GENERAL DISCLOSURES 2021

Disclosure	Reference
2-1 Organizational details	Capital Group at a glance (p. 9)
2-2 Entities included in the organization's sustainability reporting	About this report (p.1)
2-3 Reporting period, frequency and contact point	About this report (p.1)
2-4 Restatements	Task Force on Climate-related Financial Disclosures (TCFD) report
2-5 External assurance	We did not seek external assurance for this report.
2-6 Activities, value chain and other business relationships	Capital Group at a glance (p. 9) Supplier diversity (p. 41)
2-7 Employees	Diversity metrics (pp. 60-61)
2-16 Communication of critical concerns	SASB FN-AC-510a.2 (p. 63)
2-22 Statement on sustainable development strategy	A message from our CEO (p. 2)
2-23 Policy commitments	UN Sustainable Development Goals (p. 54)
2-28 Membership associations	Industry engagement (p. 57)

GRI 3: MATERIAL TOPICS

Disclosure	Reference
3-1 Process to determine material topics	About this report (p. 1)
3-2 List of material topics/3-3 Management of material topics of interest to stakeholders	
Below are the topics we have identified and references to where relevant information can be found.	
Climate risks & opportunities	Operating sustainably (pp. 48-51) Task Force on Climate-related Financial Disclosures (TCFD) report
Diversity, equity & inclusion	Enabling a diverse and inclusive workplace (pp. 14-33)
Economic inclusion	Social impact (pp. 36-39)
Proxy voting	Our approach to investment stewardship
Supplier diversity & procurement practices	Supplier diversity (p. 41)

GRI 302: ENERGY 2016

Disclosure	Reference
302-1 Energy consumption within the organization	Task Force on Climate-related Financial Disclosures (TCFD) report
302-3 Energy intensity	Task Force on Climate-related Financial Disclosures (TCFD) report
302-4 Reduction of energy consumption	Task Force on Climate-related Financial Disclosures (TCFD) report

GRI 305: EMISSIONS 2016

Disclosure	Reference
305-1 Direct (Scope 1) GHG emissions	Task Force on Climate-related Financial Disclosures (TCFD) report
305-2 Energy indirect (Scope 2) GHG emissions	Task Force on Climate-related Financial Disclosures (TCFD) report
305-3 Other indirect (Scope 3) GHG emissions	Task Force on Climate-related Financial Disclosures (TCFD) report
305-4 GHG emissions intensity	Task Force on Climate-related Financial Disclosures (TCFD) report
305-5 Reduction of GHG emissions	Task Force on Climate-related Financial Disclosures (TCFD) report

GRI 405: DIVERSITY & EQUAL OPPORTUNITY

Disclosure	Reference
405-1 Diversity of governance bodies and employees	Diversity metrics (pp. 60-61)

This report includes metrics that are subject to uncertainties resulting from limitations inherent to available data and methodologies. The application of different but acceptable methodological choices can result in different measurements. Capital Group reserves the right to update its data and methodologies in future reports.

Capital Group manages equity assets through three investment groups. These groups make investment and proxy voting decisions independently. Fixed income investment professionals provide fixed income research and investment management across the Capital organization; however, for securities with equity characteristics, they act solely on behalf of one of the three equity investment groups.

Statements attributed to an individual represent the opinions of that individual as of the date published and do not necessarily reflect the opinions of Capital Group or its affiliates. This information is intended to highlight issues and should not be considered advice, an endorsement or a recommendation.

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