

Value may not mean what you think

3 key pillars of the strategy

Capital Group U.S. Income and Growth SMA seeks to achieve three main goals for investors.

A focus on dividends

Our strategy seeks to achieve and grow dividends.



Growing returns

Relies on higher quality companies to produce consistent and growing yield.



Downside resilience

Designed to provide a cushion in down markets.

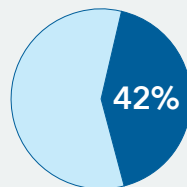


Many value managers invest in dividend-paying stocks and produce a competitive yield, but do so with lower-quality companies. This can expose investors to increased volatility and potentially sacrifice the long-term stability they seek in exchange for short-term gains.

Value isn't always defensive

- Not all "value" stocks pay a dividend.
- Tilting toward value may expose a portfolio to "defensive" characteristics, such as higher dividend yields, but those higher yields may be from lower-quality companies.

Russell 1000 Value Index



Only 42% have high quality ratings and pay a dividend.*

Shortcuts of the past decade may spell trouble going forward

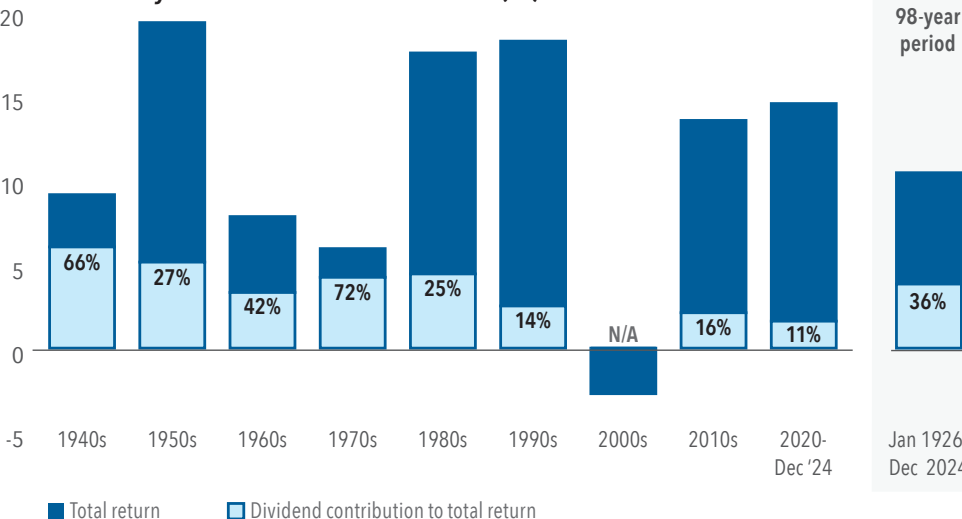
Over the next 10 years – with debt becoming increasingly more expensive – lower quality companies may:

- Have a tougher time relying on debt to drive dividends
- Be forced to cut or eliminate dividends
- Experience more volatility

Dividends may be relevant for the first time in decades

Dividend income as a component of total return

S&P 500 10-year annualized total return (%)



Source: Capital Group. Total return for the S&P 500 Index was negative for the 2000s. Dividends provided a 1.8% annualized return over the decade. As of December 31, 2024. Past results are not predictive of results in future periods.

*FactSet data as of December 31, 2024. Company ratings are from the Standard & Poor's rating agency. A rating of BBB or above is considered high quality.

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

Refer to the GIPS composite report at the end of this brochure for additional information.
Advisory services offered through Capital Research and Management Company (CRMC) and its RIA affiliates.
For registered investment advisors and institutional investors only.

A focus on growing income

Our strategy employs a time-tested approach to identifying the subset of dividend-paying, high-quality companies that our portfolio managers expect to actually grow their dividends.

Growing dividends since inception

Year	Equities held more than 6 months	% that increased dividend
2017	59	68
2018	59	81
2019	60	85
2020	57	81
2021	60	83
2022	60	97
2023	61	80
2024	62	85

85%

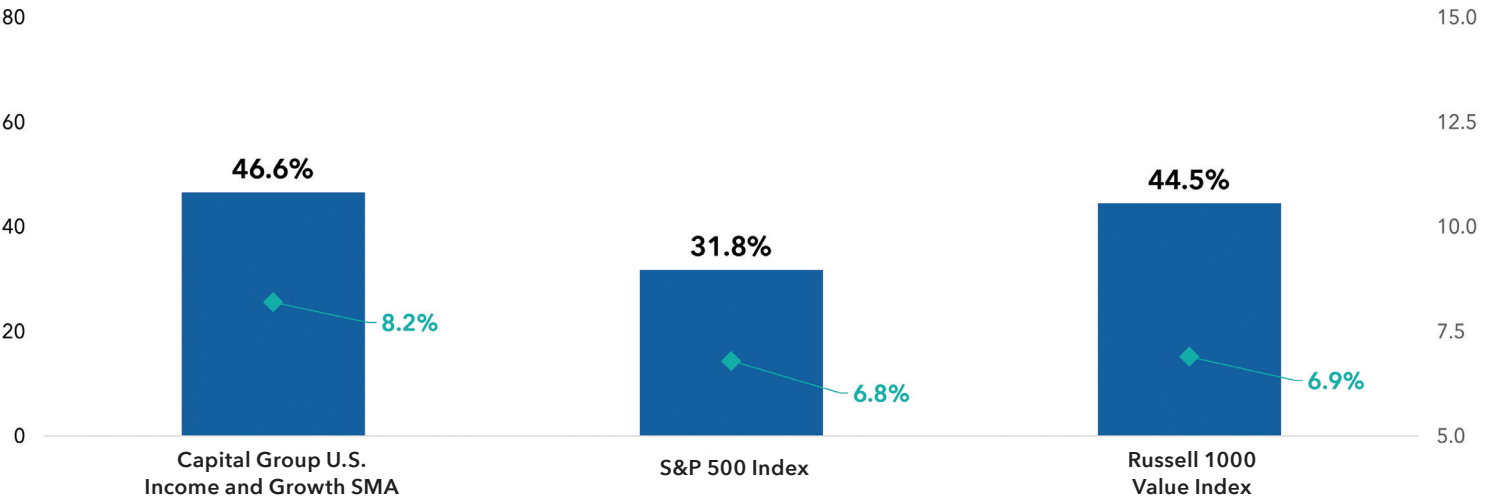
of the companies held in U.S. Income and Growth SMA more than 6 months grew their dividend in 2024.

Data is as of December 31, 2024, and based on the representative account of the Capital Group U.S. Income and Growth SMA Composite. Each holding's dividend was compared to its dividend the prior year whether or not it was held in the SMA at that time. Securities subject to complicated corporate actions were carefully analyzed (e.g., Anthem, Inc., which changed its name in 2020, and DowDupont, which underwent a demerger in 2019).

Sustainability of dividends

As of December 31, 2024

Payout ratio

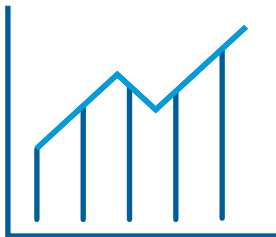


Sources: FactSet, Bloomberg Index Services Limited. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). Bloomberg or Bloomberg's licensors own all proprietary rights in the Bloomberg Indices. Neither Bloomberg nor Bloomberg's licensors approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith. Past results are not predictive of results in future periods.

Data is based on the representative account of the Capital Group U.S. Income and Growth SMA Composite. Payout ratio reflects the percentage of dividends paid relative to earnings on a 12-month trailing basis.

Driven by a rigorous screening process

In order to be eligible for the strategy, stocks must meet stringent financial requirements and have a consistent record of earnings and dividends. To be on the eligibility list, most companies must:



Have fully earned dividends in at least **four of the past five years**, which typically eliminates companies that have borrowed to cover their dividend

Have at least **50%** more current assets than current liabilities, or bonds rated investment-grade by Standard & Poor’s Ratings Services*

Be an investment-grade company with a long history of paying dividends and be listed on the New York Stock Exchange

*Bond ratings, which typically range from AAA/Aaa (highest) to D (lowest), are assigned by credit rating agencies, such as Standard & Poor’s, Moody’s and/or Fitch, as an indication of an issuer’s creditworthiness.

Meeting our standards

2,300+

companies were listed on the New York Stock Exchange

730

companies (approximately) met the strategy’s rigorous investment standards (the “Eligible List”)

60

companies (approximately) included in the SMA

A solid history of driving returns

Composite net returns are calculated by deducting from the monthly “pure” gross returns a model fee equivalent to an annual 3% fee. Actual fees will vary. For information concerning program sponsor fees, contact your financial advisor. “Pure” gross composite returns do not reflect the deduction of any trading costs, fees or expenses; results would have been lower if they were subject to fees and expenses.

Investment results

		Cumulative total returns (%)	Average annual total returns (%)			
As of March 31, 2025		1 Year	3 Years	5 Years	10 Years	Lifetime*
Capital Group U.S. Income and Growth SMA Composite	“Pure” gross	9.35	9.67	17.87	11.96	12.59
	Net of fees	6.14	6.44	14.43	8.67	9.29
S&P 500 Index		8.25	9.06	18.59	12.50	11.03
Russell 1000 Value Index		7.18	6.64	16.15	8.79	–

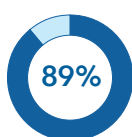
*Lifetime returns are as of the strategy’s inception date on August 1, 1952.

Rolling 10-year returns

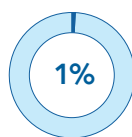
Capital Group U.S. Income and Growth SMA Composite versus the Russell 1000 Value Index (since inception of the Russell 1000 Value Index)

■ Composite led index
■ Composite lagged index

“Pure” gross

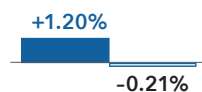


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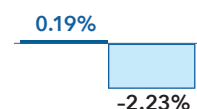


Percentage of time composite led/lagged index over rolling monthly 10-year periods since 1/1/87.[†]

“Pure” gross



Net



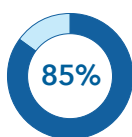
Difference between average returns (% pt) over rolling monthly 10-year periods since 1/1/87.[†]

Source: Capital Group. As of December 31, 2024. Values calculated based on inception of Russell 1000 Value Index.

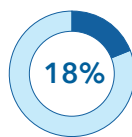
Capital Group U.S. Income and Growth SMA Composite versus the S&P 500 Index (since strategy’s inception)

■ Composite led index
■ Composite lagged index

“Pure” gross

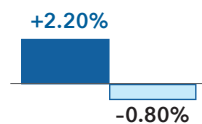


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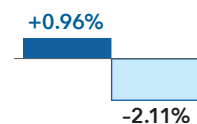


Percentage of time composite led/lagged index over rolling monthly 10-year periods since 8/1/52,[†] the strategy’s inception.

“Pure” gross



Net



Difference between average returns (% pt) over rolling monthly 10-year periods since 8/1/52.[†]

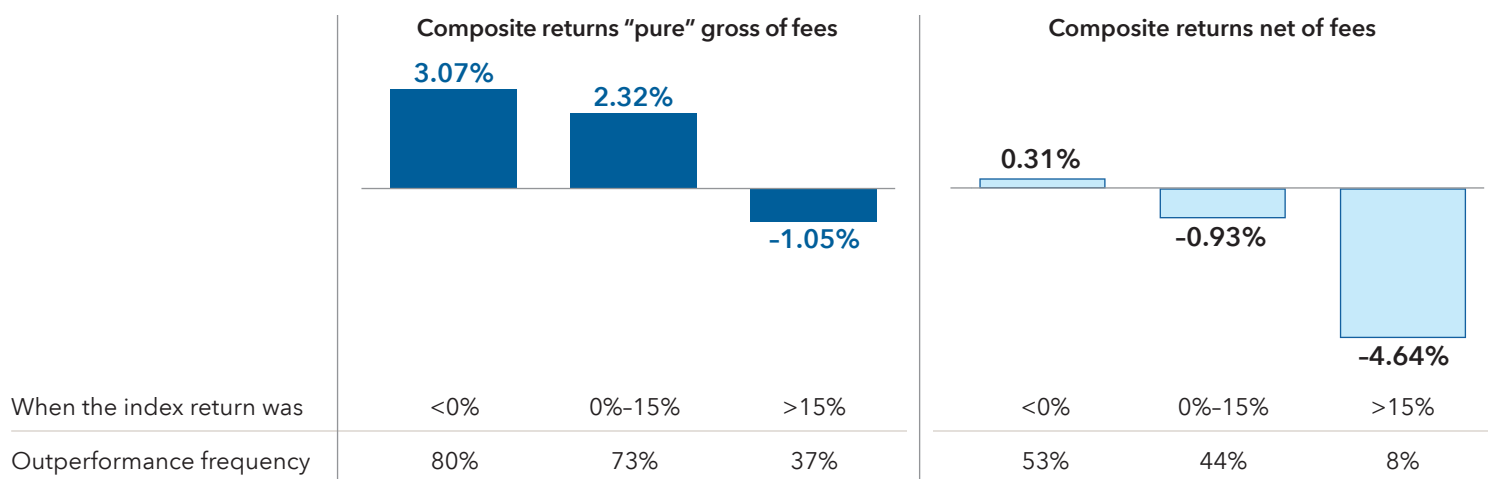
Source: Capital Group. As of December 31, 2024. Rolling returns are based on monthly observations since the inception date of the strategy. Results are net of withholding taxes on dividends, interest and capital gains.

[†] The Capital Group U.S. Income and Growth SMA Composite inception is September 1, 2016. The composite consists of all unrestricted, discretionary separately managed account “SMA” portfolios that are managed according to the U.S. Income and Growth strategy. Beginning September 1, 2016, the Capital Group U.S. Income and Growth SMA Composite includes all SMA portfolios applicable to the U.S. Income and Growth strategy. Prior to September 1, 2016, no SMA portfolios were managed in the U.S. Income and Growth strategy, and for that reason, the results presented are based on Capital Group Washington Mutual Composite (inception is August 1, 1952) returns, which contain non-SMA similar strategy portfolios. Prior to January 1, 2019, both restricted and unrestricted portfolios were included. As of January 1, 2019, only unrestricted portfolios are included in the composite.

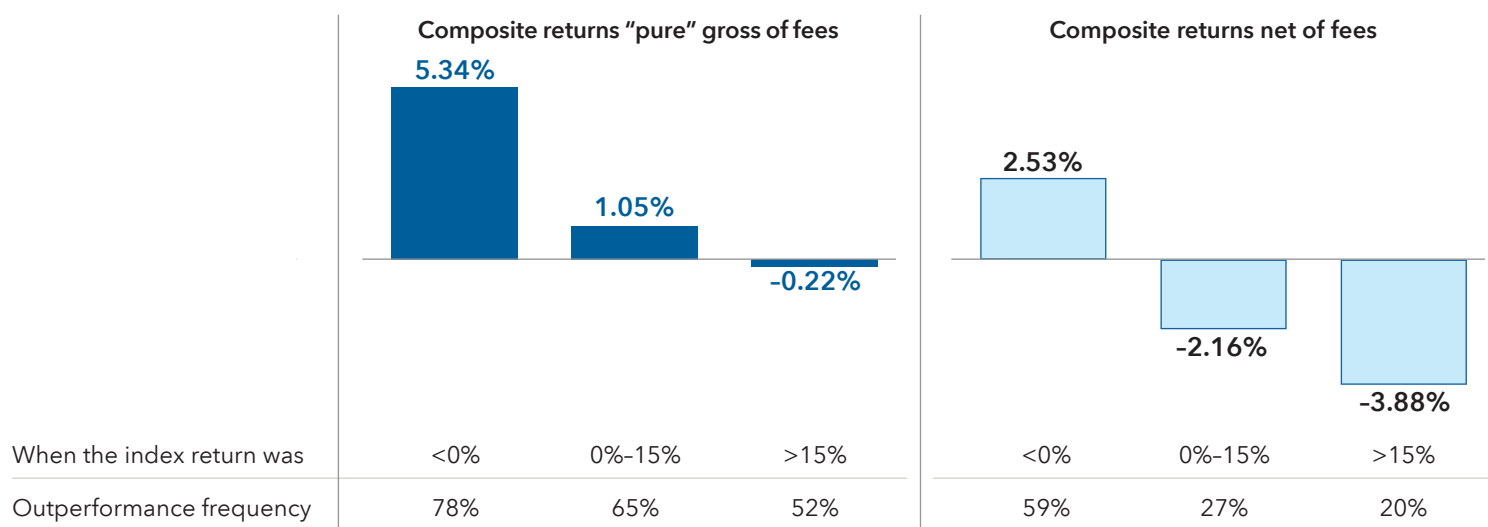
Returns are in USD, are asset weighted, and reflect the reinvestment of dividends, interest and other earnings (net of withholding taxes). Past results are not predictive of results in future periods.

Excess returns

Capital Group U.S. Income and Growth SMA Composite versus the Russell 1000 Value Index (rolling one-year periods since inception of the Russell 1000 Value Index on January 1, 1987)



Capital Group U.S. Income and Growth SMA Composite versus the S&P 500 Index (rolling one-year periods since strategy's inception on August 1, 1952)



As of December 31, 2024.

Excess return represents the mean annualized premium/deficit between the results for the stated equity service composite and the respective benchmark for all rolling one-year periods in which the market delivered the referenced level of returns (index return <0%; index return between 0% and 15%; index return >15%). Numbers are based on rolling monthly data for both the composite and the respective benchmark in order to represent the broadest range of beginning and ending points available and reduce entry- and exit-point bias, thus reflecting the range of entry points experienced by investors. Past results are not predictive of results in future periods.

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Downside resilience

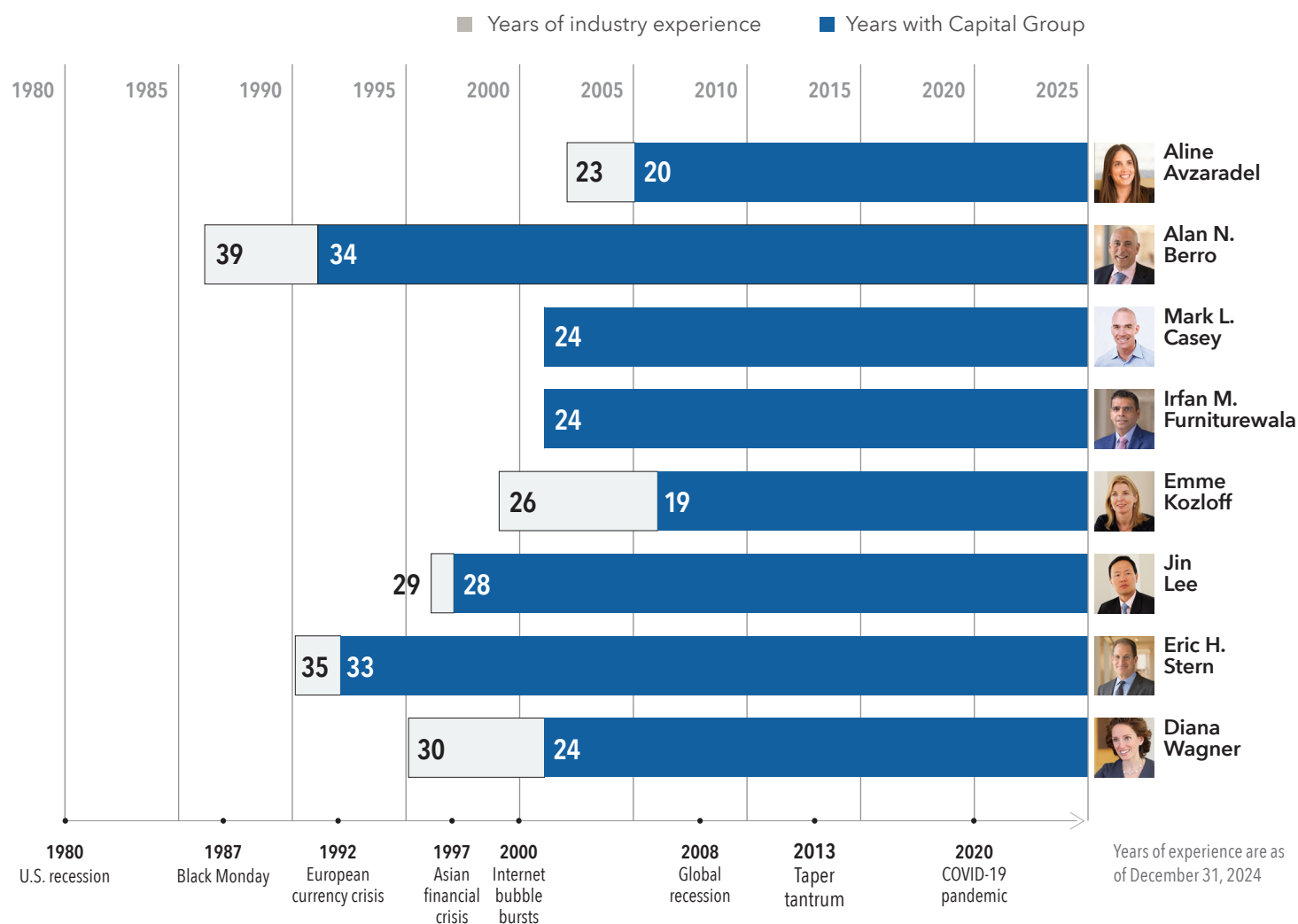
Designed to provide a cushion in down markets

When evaluating if a value investment and its manager are positioned to offer the stability you're seeking, it is important to keep in mind that:

- Dividends are an indicator of a company's strength
- During economic downturns, some companies may cut or suspend dividend payments
- The quality and experience of the portfolio management team matter

Experience managing through many market cycles

- The strategy has **eight** portfolio managers with a median of **27.5 years** of investment industry experience and **24 years** with Capital Group.*
- Portfolios using The Capital System™ are divided into portions that are managed independently by investment professionals with diverse backgrounds, ages and investment approaches. The Capital System is designed to enable individual investment professionals to act on their highest convictions while also limiting the risk associated with isolated decision-making.



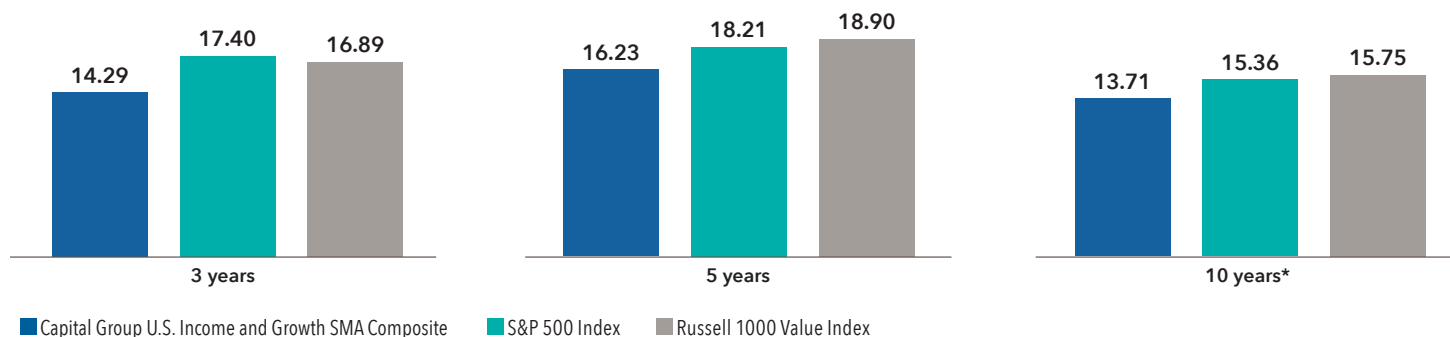
*Capital Group U.S. Income and Growth SMA also has six portfolio strategy managers. While not responsible for managing the portfolio, portfolio strategy managers optimize the portfolio in seeking to replicate the strategy's risk and return profile in the SMA.

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. All Capital Group trademarks mentioned are owned by The Capital Group Companies, Inc., an affiliated company or fund. All other company and product names mentioned are the property of their respective companies.

A history of lower volatility than the market

The composite's lower volatility versus its benchmark has been due largely to its focus on high-quality, dividend-paying companies.

Standard deviation



Source: Capital Group. As of December 31, 2024. Annualized standard deviation is based on cumulative monthly returns.

*The Capital Group U.S. Income and Growth SMA Composite inception is September 1, 2016. The composite consists of all unrestricted, discretionary separately managed account "SMA" portfolios that are managed according to the U.S. Income and Growth strategy. Beginning September 1, 2016, the Capital Group U.S. Income and Growth SMA Composite includes all SMA portfolios applicable to the U.S. Income and Growth strategy. Prior to September 1, 2016, no SMA portfolios were managed in the U.S. Income and Growth strategy, and for that reason, the results presented are based on Capital Group Washington Mutual Composite (inception is August 1, 1952) returns, which contain non-SMA similar strategy portfolios. Prior to January 1, 2019, both restricted and unrestricted portfolios were included. As of January 1, 2019, only unrestricted portfolios are included in the composite. Prior to January 1, 2019, both restricted and unrestricted portfolios were included.

Things to remember



Dividends

Not all dividends are created equal. Capital Group U.S. Income and Growth SMA focuses on companies that our portfolio managers believe are positioned to grow their dividend over time



Returns

Capital Group U.S. Income and Growth SMA relies on higher quality companies to seek consistent and growing yield.



Downside resilience

Our portfolio managers focus on companies they believe are less likely to cut dividends in difficult markets as they aim to provide investors with a cushion in down markets.

The investment strategies described herein are those of Capital Group. These materials are being provided for illustrative and informational purposes only. The information contained herein is obtained from multiple sources that are believed to be reliable. However, such information has not been verified, and may be different from the information included in documents and materials created by the sponsor firm in whose investment program a client participates. Some sponsor firms may require that these Capital Group materials are preceded or accompanied by investment profiles or other documents or materials prepared by such sponsor firms, which will be provided upon a client's request. For additional information, documents and/or materials, please speak to your financial advisor.

Capital Group U.S. Income and Growth SMA Composite

Composite information in USD

Period ending	Annual composite "pure" gross return(%)	Annual composite net return(%)	Annual index return(%)	Annualized three-year composite standard deviation(%)	Annualized three-year index standard deviation(%)	Annual composite dispersion(%)	Number of portfolios in composite	Assets in composite (millions)	Total GIPS firm assets (millions)	Percentage of SMA portfolios
12/31/2014	11.89	8.61	13.69	7.95	8.97	—	—	77,000	1,395,196	—
12/31/2015	0.42	-2.55	1.38	10.05	10.47	—	—	75,963	1,389,106	—
12/31/2016	15.05	11.68	11.96	10.19	10.59	—	—	^	1,477,458	—
12/31/2017	21.42	17.88	21.83	9.63	9.92	—	—	^	1,774,939	100
12/31/2018	-2.03	-4.94	-4.38	9.65	10.80	—	—	^	1,671,618	100
12/31/2019	25.44	21.81	31.49	10.06	11.93	—	37	21	2,048,712	100
12/31/2020	8.42	5.22	18.40	16.62	18.53	0.34	109	48	2,369,861	100
12/31/2021	28.51	24.78	28.71	16.28	17.17	0.33	174	124	2,722,181	100
12/31/2022	-8.44	-11.17	-18.11	19.14	20.87	0.20	239	131	2,176,206	100
12/31/2023	19.17	15.70	26.29	15.22	17.29	0.19	315	183	2,502,027	100

For registered investment advisor and advisory client use only.

Compliance: The Capital Group Companies ("Capital Group") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Capital Group has been independently verified for the periods January 1, 2008, to December 31, 2022. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

Firm definition: The "Firm" is defined as Capital Group and includes all portfolios, excluding all private equity funds, managed within its subsidiaries and divisions or outsourced to a subadvisor. The Firm 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.

Composite: The Capital Group U.S. Income and Growth SMA Composite inception is September 1, 2016. The composite consists of all unrestricted, discretionary separately managed account ("SMA") portfolios that are managed according to the U.S. Income and Growth strategy. The strategy's investment objective is to produce income and to provide an opportunity for growth of principal consistent with sound common stock investing. A disciplined approach to investing that uses strict eligibility criteria to screen for companies across a broad array of industries with strong balance sheets and consistent dividends. The strategy seeks to be fully invested. For non-U.S. holdings, a portfolio may invest up to 10% of its assets in companies domiciled outside the United States and not included in the S&P 500. Prior to September 1, 2016, no SMA portfolios were managed in the U.S. Income and Growth strategy, and for that reason, the results presented are based on Capital Group Washington Mutual Composite (inception is August 1, 1952) returns, which contain non-SMA similar strategy portfolios. Beginning September 1, 2016, the Capital Group U.S. Income and Growth SMA Composite includes all SMA portfolios applicable to the U.S. Income and Growth strategy. Composite creation date is September 1, 2016.

Presentation of results and fees: Composite results reflect the reinvestment of dividends, interest and other earnings. Results are net of withholding taxes on dividends, interest and capital gains. Actual withholding tax rates vary according to the country of denomination and tax status of each portfolio. Composite net returns are calculated by deducting from the "pure" gross results a model fee equivalent to an annual 3% fee (which is equal to or higher than the highest actual SMA fee charged by a program sponsor). The SMA fee includes all charges for trading costs, investment management, custody, and other administrative fees. Actual fees will vary. For information concerning program sponsor fees, contact your financial advisor. Prior to July 1, 2019, the composite includes results that are net of trading expenses. Beginning July 1, 2019, the composite includes results for portfolios with both "pure" gross returns and portfolios with gross returns net of trading expenses. "Pure" gross returns do not reflect the deduction of any trading costs, fees or expenses, and are presented as supplemental information. Past performance does not guarantee future results.

Index: Index represents the S&P 500 Index. Index was obtained from published sources and has not been examined by an independent accounting firm. Source: The S&P 500 Index ("Index") is a product of S&P Dow Jones Indices LLC and/or its affiliates and has been licensed for use by Capital Group. Copyright © 2024 S&P Dow Jones Indices LLC, a division of S&P Global, and/or its affiliates. All rights reserved. Redistribution or reproduction in whole or in part is prohibited without written permission of S&P Dow Jones Indices LLC.

Standard deviation: The annualized three-year standard deviation measures the variability of the gross returns over the preceding 36-month period. Standard deviation is not presented for periods where 36 monthly composite returns are not available.

Annual composite dispersion: The composite dispersion measure presented is the asset-weighted standard deviation using gross annual returns. This is a measurement of internal dispersion that represents the distribution of individual portfolio returns around the asset-weighted mean. Portfolios are only included in each dispersion calculation if they are present in the composite for the entire period. The asset-weighted standard deviation dispersion measure is included for full calendar years except where the composite contains five portfolios or fewer for the full year.

Number of portfolios: Periods that end with five portfolios or fewer are not presented.

General: A complete list and description of Firm composites, limited distribution pooled funds, and broad distribution pooled funds is available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

^Assets in composite at period ending are less than \$1 million.