

American Funds® Tax-Exempt Preservation Portfolio

Class F-2 | TXEFX for the year ended October 31, 2025



This annual shareholder report contains important information about American Funds Tax-Exempt Preservation Portfolio (the "fund") for the period from November 1, 2024 to October 31, 2025. You can find additional information about the fund at capitalgroup.com/mutual-fund-literature-F2. You can also request this information by contacting us at (800) 421-4225.

What were the fund costs for the last year? (based on a hypothetical \$10,000 investment)

Share class	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Class F-2	\$10	0.10%

Management's discussion of fund performance

The fund's Class F-2 shares gained 4.53% for the year ended October 31, 2025. That result compares with a 4.34% gain for the Bloomberg Municipal Bond 1-7 Year Blend Index. For information on returns for additional periods, including the fund lifetime, please refer to capitalgroup.com/mutual-fund-returns-F2.

What factors influenced results

During the fund's fiscal year, U.S. municipal bonds posted strong returns. The Federal Reserve cut rates four times in response to persistent inflation and growing labor market weakness, driving short-term yields lower. Long-term municipal yields initially rose but finished the period lower amid strong investor demand and a steepening yield curve. Meanwhile, Treasury yields also declined after June, reflecting a shift toward safe-haven assets due to reduced issuance and economic slowdown concerns.

The fund's returns were driven by a combination of its short- and intermediate-term municipal bond holdings, as well as a moderate cash allocation. The portfolio also offered potential for tax-exempt income and stability, consistent with the fund's objectives.

How a hypothetical \$10,000 investment has grown

Figures assume reinvestment of dividends and capital gains.



Average annual total returns

	1 year	5 years	10 years
American Funds Tax-Exempt Preservation Portfolio – Class F-2*	4.53%	1.46%	1.88%
Bloomberg Municipal Bond Index†	4.17%	1.16%	2.42%
Bloomberg Municipal Bond 1-7 Year Blend Index†	4.34%	1.32%	1.82%

* Investment results assume all distributions are reinvested and reflect applicable fees and expenses. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower.

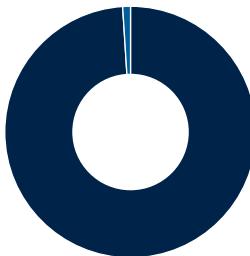
† Results assume all distributions are reinvested. Any market index shown is unmanaged, and therefore, has no expenses. Investors cannot invest directly in an index. Source(s): Bloomberg Index Services Ltd.

The fund's past performance is not a predictor of its future performance. The line chart and table do not reflect the deduction of taxes that a shareholder would pay on fund distributions or redemption of fund shares.

Key fund statistics

Fund net assets (in millions)	\$395
Total number of portfolio holdings	4
Total advisory fees paid (in millions)	None
Portfolio turnover rate	15%

Portfolio holdings by fund type (percent of net assets)



■ Tax-exempt fixed income funds 99%
■ Short-term securities & other assets less liabilities 1%

Availability of additional information

Additional information about the fund, including its prospectus, financial information, holdings, and proxy voting information is available at capitalgroup.com/mutual-fund-literature-F2.

Important information

To reduce fund expenses, only one copy of most shareholder documents will be mailed to shareholders with multiple accounts at the same address (householding). If you would prefer that your documents not be householded, please contact Capital Group at (800) 421-4225, or contact your financial intermediary. Your instructions will typically be effective within 30 days of receipt by Capital Group or your financial intermediary.