

Differentiating the
American Funds Insurance Series®
2019



CAPITAL GROUP® | AMERICAN FUNDS®



Invest in funds
designed for
retirement.

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

With more than \$130 billion in assets under management, American Funds Insurance Series is one of the largest suites of funds for variable annuities.*

Planning your strategy for retirement

Variable annuities can play a key role in an effective retirement and income-planning strategy. Millions of Americans use these vehicles to supplement their investment portfolio and help achieve their financial goals.

When selecting a variable annuity, many investors choose contracts that offer options from American Funds Insurance Series – a suite of funds designed specifically for use in variable annuity insurance contracts. Our funds are managed according to a variety of investment objectives, ranging from growth to income to managed risk, and are offered by some of the nation's leading insurance companies.

American Funds Insurance Series dates back to 1984, making it one of the first suites of funds in the insurance industry.

* As of December 31, 2018.

Fund availability will vary based on insurance company and contract.

A long-term focus and diverse perspectives seek better results.

As one of the first and largest suites of funds dedicated to the variable annuities industry, American Funds Insurance Series is managed according to a variety of investment objectives and is offered by some of the nation's leading insurance companies.

More than 85 years of investment experience has helped us create funds for our insurance clients that are based on American Funds with similar objectives.

American Funds	American Funds Insurance Series
New Perspective Fund®	Global Growth Fund
SMALLCAP World Fund®	Global Small Capitalization Fund
The Growth Fund of America®	Growth Fund
EuroPacific Growth Fund®	International Fund
New World Fund®	New World Fund®
Washington Mutual Investors Fund SM	Blue Chip Income and Growth Fund
Capital World Growth and Income Fund®	Global Growth and Income Fund
The Investment Company of America®	Growth-Income Fund
International Growth and Income Fund SM	International Growth and Income Fund
Capital Income Builder®	Capital Income Builder®
–	Asset Allocation Fund
American Funds Global Balanced Fund SM	Global Balanced Fund
The Bond Fund of America®	Bond Fund
Capital World Bond Fund®	Global Bond Fund
American High-Income Trust®	High-Income Bond Fund
American Funds Mortgage Fund®	Mortgage Fund
–	Ultra-Short Bond Fund
U.S. Government Securities Fund®	U.S. Government/AAA-Rated Securities Fund

The Capital Advantage[®]

Since 1931, Capital Group, home of American Funds, has helped investors pursue long-term investment success. Our consistent approach – in combination with The Capital SystemSM – has resulted in superior outcomes.

Aligned with investor success

We base our decisions on a long-term perspective, which we believe aligns our goals with the interests of our clients. American Funds Insurance Series portfolio managers average 26 years of investment experience, including 21 years at our company, reflecting a career commitment to our long-term approach.¹

Put our experience to work

Our portfolio managers' investment experience spans generations.¹

10+ years

100%

20+ years

86%

30+ years

27%

The Capital System

The Capital System combines individual accountability with teamwork. Funds using The Capital System are divided into portions that are managed independently by investment professionals with diverse backgrounds, ages and investment approaches. An extensive global research effort is the backbone of our system.

Global research at Capital Group²

We have invested internationally for more than half a century and are among the largest U.S. investors in international stocks and bonds.³

Investment professionals	408
Investment analysts	215
Portfolio managers (59 in American Funds Insurance Series) ¹	105
Based outside the U.S.	179
Countries of origin	52
Languages spoken	42

American Funds Insurance Series superior outcomes

American Funds Insurance Series equity funds have beaten their comparable Lipper indexes in 91% of 10-year periods and 100% of 20-year periods.⁴ Our fixed income funds have helped investors achieve diversification through attention to correlation between equities.⁵ We strive to keep management fees competitive. Over the past 20 years, most funds' fees have been below industry averages.⁶



"We have the freedom and independence to pursue what we think are the best investments, and our robust discussions with diverse points of view help stress-test ideas. We really feel that our process gives us a competitive advantage in seeking superior outcomes for our investors in the long run."

Don O'Neal,
Portfolio Manager

Past results are not predictive of results in future periods.

¹As of the prospectus dated May 1, 2018 (as supplemented January 1, 2019).

²As of December 31, 2018.

³Source: Morningstar, based on total net assets of all funds in the broad U.S. category group "International Equity," and based on total net assets of funds in the Morningstar category groups "U.S. Fund Emerging Markets Bond" and "U.S. Fund World Bond" as of November 30, 2018, respectively.

⁴Based on Class 1 share results for rolling periods through December 31, 2018. Periods covered are the shorter of the fund's lifetime or since the inception date of the comparable Lipper index. The comparable Lipper indexes are: Global Funds Index (Global Growth Fund, Global Growth and Income Fund), Growth Funds Index (Growth Fund), International Funds Index (International Fund), Emerging Markets Funds Index (New World Fund), Growth & Income Funds Index (Blue Chip Income and Growth Fund, Growth-Income Fund), Balanced Funds Index (Asset Allocation Fund), Core Bond Funds Index (Bond Fund), Global Income Funds Index (Global Bond Fund), High Yield Funds Index (High-Income Bond Fund), Ultra-Short Obligation Funds Index (Ultra-Short Bond Fund) and General U.S. Government Funds Index (U.S. Government/AAA-Rated Securities Fund). The Lipper Global Small-/Mid-Cap Funds Average was used for Global Small Capitalization Fund. Lipper source: Thomson Reuters Lipper. There have been periods when the fund has lagged the index.

⁵Based on Class 1 share results as of December 31, 2018. Four of our five fixed income funds showed a three-year correlation below 0.1. Standard & Poor's 500 Composite Index was used as an equity market proxy. Correlation based on monthly total returns. Correlation is a statistical measure of how two securities move in relation to each other. A correlation ranges from -1 to 1. A positive correlation close to 1 implies that as one security moves, either up or down, the other security will move in "lockstep," in the same direction. A negative correlation close to -1 indicates that the securities have moved in the opposite direction.

⁶Based on management fees for the 20-year period ended December 31, 2018, versus comparable Lipper categories, excluding funds of funds.

American Funds Insurance Series

Fund description	American Funds fund with most similar objective	Investment objective	Distinguishing characteristics	Geographic focus	Portfolio managers*
Growth funds					
Global Growth Fund					
Inception date: April 30, 1997					
A flexible, global approach	New Perspective Fund	To provide long-term growth of capital	Invests primarily in growth-oriented stocks of companies around the world.	Global 	3 managers, median 24 years of experience
Global Small Capitalization Fund					
Inception date: April 30, 1998					
A small-company focus with a worldwide view	SMALLCAP World Fund	To provide long-term growth of capital	Normally invests at least 80% of assets in stocks of companies around the world with market capitalization of \$6 billion or less.	Global 	6 managers, median 26 years of experience
Growth Fund					
Inception date: February 8, 1984					
Seeks growth opportunities anywhere	The Growth Fund of America	To provide growth of capital	Seeks to invest in companies that appear to offer superior opportunities for growth. Up to 25% of assets can be invested in companies outside the U.S.	Primarily U.S. 	5 managers, median 24 years of experience
International Fund					
Inception date: May 1, 1990					
Primarily outside the U.S.	EuroPacific Growth Fund	To provide long-term growth of capital	Invests in companies of various sizes outside the U.S., including developing countries.	Primarily outside U.S. 	5 managers, median 23 years of experience
New World Fund®					
Inception date: June 17, 1999					
A focus on developing markets	New World Fund	To provide long-term capital appreciation	At least 35% of assets will be invested in stocks and bonds of issuers in developing countries. The fund also invests in stocks of companies with significant ties to the developing world, and in bonds offering exposure to developing countries.	Global 	5 managers, median 26 years of experience

* Portfolio manager experience as of January 1, 2019.

American Funds Insurance Series

Fund description	American Funds fund with most similar objective	Investment objective	Distinguishing characteristics	Geographic focus	Portfolio managers*
Growth-and-income funds					
Blue Chip Income and Growth Fund					
Inception date: July 5, 2001					
High-quality investing with a dividend focus	Washington Mutual Investors Fund	To produce income exceeding the average yield on U.S. stocks generally and to provide an opportunity for growth of principal consistent with sound common stock investing	Invests primarily in dividend-paying stocks of larger established U.S. companies. Up to 10% of assets may be invested in stocks of larger companies outside the U.S. that are listed or traded in the U.S.	Primarily U.S. 	5 managers, median 23 years of experience
Global Growth and Income Fund					
Inception date: May 1, 2006					
Blue chip focus across the globe	Capital World Growth and Income Fund	To provide long-term growth of capital while providing current income	Invests primarily in dividend-paying companies around the world that we believe to be relatively resilient during market declines.	Global 	4 managers, median 27 years of experience
Growth-Income Fund					
Inception date: February 8, 1984					
A story of consistency	The Investment Company of America	To achieve long-term growth of capital and income	Invests in companies with the potential for capital appreciation and/or dividend payments. Up to 15% of assets may be invested in securities of issuers outside the U.S.	Primarily U.S. 	6 managers, median 27 years of experience
International Growth and Income Fund					
Inception date: November 18, 2008					
A focus on quality companies outside the U.S.	International Growth and Income Fund	To provide long-term growth of capital while providing current income	Invests primarily in larger, well-established companies outside the U.S., including developing countries. The fund focuses on companies with strong earnings that pay dividends.	Primarily outside U.S. 	3 managers, median 24 years of experience

* Portfolio manager experience as of January 1, 2019.

American Funds Insurance Series

Fund description	American Funds fund with most similar objective	Investment objective	Distinguishing characteristics	Geographic focus	Portfolio managers*
Equity-income fund					
Capital Income Builder®					
Inception date: May 1, 2014					
Striving for above-average current income and rising income	Capital Income Builder	Seeks to provide (1) a level of current income that exceeds the average yield on U.S. stocks generally and (2) a growing stream of income over the years The fund's secondary objective is to provide growth of capital	Normally invests at least 90% of assets in income-producing securities. At least 50% of assets are invested in equities including a broad range of income-producing securities. Assets also may be invested outside the U.S., including developing countries.	Global 	4 managers, median 30 years of experience
Asset allocation fund					
Asset Allocation Fund					
Inception date: August 1, 1989					
A strategic approach to diversification	N/A	To provide high total return (including income and capital gains) consistent with preservation of capital over the long term	Invests in a diversified portfolio of stocks and bonds. The fund may invest up to 15% of assets in equity securities from outside the U.S. and up to 25% of debt securities in lower rated bonds.	Primarily U.S. 	7 managers, median 24 years of experience
Global balanced fund					
Global Balanced Fund					
Inception date: May 2, 2011					
Disciplined global flexibility	American Funds Global Balanced Fund	Seeks the balanced accomplishment of three objectives: long-term growth of capital, conservation of principal and current income	Invests in stocks and bonds around the world, including developing countries. Typically, stocks will account for at least 45% of assets and bonds at least 30% of assets.	Global 	6 managers, median 27 years of experience

* Portfolio manager experience as of January 1, 2019.

American Funds Insurance Series

Fund description	American Funds fund with most similar objective	Investment objective	Distinguishing characteristics	Geographic focus	Portfolio managers*
Bond funds					
Bond Fund					
Inception date: January 2, 1996					
Seeks income and consistency through diversity	The Bond Fund of America	To provide as high a level of current income as is consistent with the preservation of capital	Invests in bonds with a preference for higher quality issues.	Primarily U.S. 	2 managers, average 25 years of experience
Global Bond Fund					
Inception date: October 4, 2006					
Searching the world for high total return	Capital World Bond Fund	To provide, over the long term, a high level of total return consistent with prudent investment management	Invests in government and corporate bonds issued in both developed and developing countries. Investment decisions consider a bond's potential for appreciation and currency gains as well as yield. Up to 35% of assets may be invested in lower rated bonds.	Global 	4 managers, median 28 years of experience
High-Income Bond Fund					
Inception date: February 8, 1984					
A research-intensive approach to high-yield investing	American High-Income Trust	To provide a high level of current income A secondary investment objective is capital appreciation	Invests primarily in high-yield, lower quality bonds. The fund may also invest in securities of issuers outside the U.S.	Primarily U.S. 	4 managers, median 25 years of experience

* Portfolio manager experience as of January 1, 2019.

American Funds Insurance Series

Fund description	American Funds fund with most similar objective	Investment objective	Distinguishing characteristics	Geographic focus	Portfolio managers*
Bond funds					
Mortgage Fund					
Inception date: May 2, 2011					
Building on research	American Funds Mortgage Fund	To provide current income and preservation of capital	Invests primarily in mortgage-related securities sponsored or guaranteed by the U.S. government and other AAA/Aaa-rated mortgage-related securities. Up to 10% of assets may be invested in high-quality mortgage-related securities from issuers outside the U.S. that are U.S. dollar-denominated.	U.S. 	2 managers, average 22 years of experience
Ultra-Short Bond Fund					
Inception date: February 8, 1984					
Seeks quality through diversity	N/A	To provide current income, consistent with the maturity and quality standards applicable to the fund, and preservation of capital and liquidity	Holds a diversified mix of high-quality money market instruments.	Primarily U.S. 	1 manager, 17 years of experience
U.S. Government/AAA-Rated Securities Fund					
Inception date: December 2, 1985					
A quality foundation	U.S. Government Securities Fund	To provide a high level of current income consistent with preservation of capital	Holds mostly securities guaranteed or sponsored by the U.S. government and mortgage-backed securities that can offer more stability than stocks and high-yield bonds.	Primarily U.S. 	3 managers, median 18 years of experience

* Portfolio manager experience as of January 1, 2019.

American Funds Insurance Series

Our managed risk funds invest in shares of American Funds Insurance Series funds and integrate an additional approach to risk management that seeks to manage volatility and provide downside protection. The managed risk strategy is operated by subadviser Milliman Financial Risk Management LLC.

Portfolio managers

Two American Funds managers with an average of 37 years of investment experience*

One subadviser manager with 13 years of experience*

Underlying fund details

Investment objective	Fund name	Distinguishing characteristics	Geographic focus
Growth funds			
Managed Risk Growth Fund			
Inception date: May 1, 2013			
To provide growth of capital while seeking to manage volatility and provide downside protection	Growth Fund	Seeks to invest 80% of its assets in shares of the American Funds Insurance Series – Growth Fund SM , and the remainder of its assets in shares of the American Funds Insurance Series – Bond Fund SM and in cash and/or U.S. Treasury futures.	Primarily U.S. 
Managed Risk International Fund			
Inception date: May 1, 2013			
To provide long-term growth of capital while seeking to manage volatility and provide downside protection	International Fund	Seeks to invest 80% of its assets in shares of the American Funds Insurance Series – International Fund SM , and the remainder of its assets in shares of the American Funds Insurance Series – Bond Fund SM and in cash and/or U.S. Treasury futures.	Outside U.S. 
Growth-and-income funds			
Managed Risk Blue Chip Income and Growth Fund			
Inception date: May 1, 2013			
To produce income exceeding the average yield on U.S. stocks generally and to provide an opportunity for growth of principal consistent with sound common stock investing, in each case while seeking to manage volatility and provide downside protection	Blue Chip Income and Growth Fund	Seeks to invest 80% of its assets in shares of the American Funds Insurance Series – Blue Chip Income and Growth Fund SM , and the remainder of its assets in shares of the American Funds Insurance Series – U.S. Government/AAA-Rated Securities Fund SM and in cash and/or U.S. Treasury futures.	Primarily U.S. 
Managed Risk Growth-Income Fund			
Inception date: May 1, 2013			
To achieve long-term growth of capital and income while seeking to manage volatility and provide downside protection	Growth-Income Fund	Seeks to invest 80% of its assets in shares of the American Funds Insurance Series – Growth-Income Fund SM , and the remainder of its assets in shares of the American Funds Insurance Series – Bond Fund SM and in cash and/or U.S. Treasury futures.	Primarily U.S. 
Asset Allocation fund			
Managed Risk Asset Allocation Fund			
Inception date: September 28, 2012			
To provide high total return (including income and capital gains) consistent with preservation of capital over the long term while seeking to manage volatility and provide downside protection	Asset Allocation Fund	Invests in shares of the American Funds Insurance Series – Asset Allocation Fund SM and in cash and/or U.S. Treasury futures.	Primarily U.S. 

* Portfolio manager experience as of the American Funds Insurance Series – Managed Risk Funds prospectus dated May 1, 2018, as supplemented July 2, 2018.

Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses and summary prospectuses, which can be obtained from a financial professional and should be read carefully before investing. Past results are not predictive of results in future periods.

Results for the Lipper indexes/averages do not reflect sales charges. Lipper indexes track the largest mutual funds (no more than 30), represented by one share class per fund, in the corresponding Lipper category. Lipper averages reflect the current composition of all eligible mutual funds (all share classes) within a given category.

Investment allocations of funds of funds may not achieve fund objectives. There are expenses associated with underlying funds in addition to fund of funds expenses. The funds' risks are directly related to the risks of the underlying funds as described below.

Investing outside the United States involves risks such as currency fluctuations, periods of illiquidity and price volatility, as more fully described in the prospectus. These risks may be heightened in connection with investments in developing countries. Small-company stocks entail additional risks, and they can fluctuate in price more than larger company stocks.

The return of principal for bond funds and funds with significant underlying bond holdings is not guaranteed. Fund shares are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings. Investments in mortgage-related securities involve additional risks, such as prepayment risk, as more fully described in the prospectus. Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher rated bonds. 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.

Futures may not provide an effective hedge of the underlying securities because changes in the prices of futures may not track those of the securities they are intended to hedge. In addition, the managed risk strategy may not effectively protect the fund from market declines and will limit the fund's participation in market gains. The use of the managed risk strategy could cause the fund's return to lag that of the underlying fund in certain market conditions.

American Funds Insurance Series serves as an underlying investment option for multiple insurance products, including variable annuity contracts and variable life insurance policies. Variable annuity and variable life insurance contracts contain certain fees and expenses not reflected here. Availability of funds will vary based on the insurance contract offered.

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