



Invest in the dividends of a growing and developing world

On or around July 1, 2024, American Funds Distributors, Inc. will be renamed Capital Client Group, Inc.

American Funds Developing World Growth and Income Fund seeks to provide long-term growth of capital while providing current income.

This fund is one of more than 40 offered by Capital Group, home of American Funds, one of the nation’s largest mutual fund families. For over 90 years, Capital Group has invested with a long-term focus based on thorough research and attention to risk.

Fund results shown in this report, unless otherwise indicated, are for Class F-2 shares. Class A share results are shown at net asset value unless otherwise indicated. If a sales charge (maximum 5.75%) had been deducted from Class A shares, the results would have been lower. Results are for past periods and are not predictive of results for future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, refer to capitalgroup.com.

Here are the average annual total returns on a \$1,000 investment for periods ended June 30, 2023 (the most recent calendar quarter-end):

	1 year	5 years	Lifetime (since 2/3/14)
Class F-2 shares	11.92%	1.82%	2.13%
Class A shares (reflecting 5.75% maximum sales charge)	4.97	0.28	1.17

For other share class results, refer to capitalgroup.com and americanfundsretirement.com.

The total annual fund operating expense ratios were 0.88% for Class F-2 shares and 1.21% for Class A shares as of the prospectus dated February 1, 2023. The expense ratios are restated to reflect current fees.

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. Refer to capitalgroup.com for more information.

The fund’s 30-day yield for Class F-2 and Class A shares as of May 31, 2023, calculated in accordance with the U.S. Securities and Exchange Commission (SEC) formula, was 2.46% and 2.00%, respectively. The Class A result reflects the 5.75% maximum sales charge.

Investing in developing markets involves risks, such as significant currency and price fluctuations, political instability, differing securities regulations and periods of illiquidity, which are detailed in the fund’s prospectus. Investments in developing markets have been more volatile than investments in developed markets, reflecting the greater uncertainties of investing in less established economies. Individuals investing in developing markets should have a long-term perspective and be able to tolerate potentially sharp declines in the value of their investments. Refer to the fund prospectus and the Risk Factors section of this report for more information on these and other risks associated with investing in the fund.

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

Fellow investors:

Results for American Funds Developing World Growth and Income Fund for the periods ended May 31, 2023, are shown in the table below, as well as results of the fund's benchmark.

For additional information about the fund, its investment results, holdings and portfolio managers, refer to capitalgroup.com/individual/investments/fund/dwghx. You can also access information about Capital Group's American Funds and read our insights about the markets, retirement, saving for college, investing fundamentals and more at capitalgroup.com.

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Results at a glance

For periods ended May 31, 2023, with all distributions reinvested

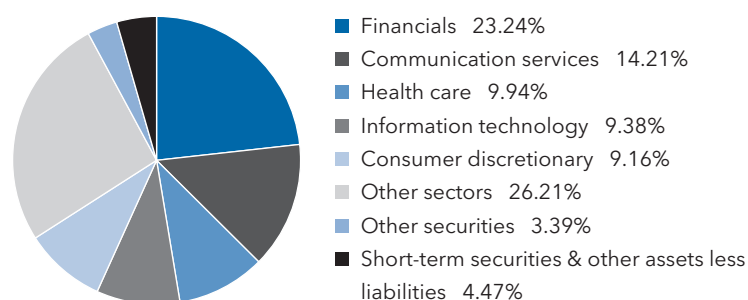
	Cumulative total returns		Average annual total returns		
	6 months	1 year	3 years	5 years	Lifetime (since 2/3/14)
American Funds Developing World Growth and Income Fund (Class F-2 shares)	2.17%	1.31%	2.69%	0.00%	1.58%
American Funds Developing World Growth and Income Fund (Class A shares)	2.09	1.07	2.40	-0.29	1.28
MSCI Emerging Markets Index*	-0.37	-8.49	3.47	-0.67	2.79

Past results are not predictive of results in future periods.

*The MSCI Emerging Markets Index is a free-float-adjusted market-capitalization-weighted index designed to measure equity market results in more than 20 global emerging markets. The index is unmanaged and, therefore, has no expenses. Investors cannot invest directly in an index. Results reflect dividends net of withholding taxes. Source: MSCI.

Sector diversification

Percent of net assets



Country diversification by domicile

Percent of net assets

China	25.37%
Brazil	12.50
India	10.17
Indonesia	6.69
Taiwan	6.27
South Korea	5.05
Mexico	4.81
Hong Kong	3.82
France	2.93
Other countries	17.92
Short-term securities & other assets less liabilities	4.47

Common stocks 92.14%

		Shares	Value (000)
Financials 23.24%	Ping An Insurance (Group) Company of China, Ltd., Class H	10,321,644	\$ 65,512
	Hana Financial Group, Inc.	1,484,872	46,373
	AIA Group, Ltd.	4,354,767	41,766
	Bank Mandiri (Persero) Tbk PT	104,904,106	35,341
	HDFC Bank, Ltd.	1,727,845	33,642
	Bank Central Asia Tbk PT	54,213,600	32,731
	Postal Savings Bank of China Co., Ltd., Class H	45,914,000	28,849
	Industrial and Commercial Bank of China, Ltd., Class H	48,106,100	25,741
	ICICI Bank, Ltd.	1,600,541	18,362
	ICICI Bank, Ltd. (ADR)	263,767	6,046
	Kotak Mahindra Bank, Ltd.	943,072	22,962
	Halyk Savings Bank of Kazakhstan OJSC (GDR) ¹	907,400	11,651
	Halyk Savings Bank of Kazakhstan OJSC (GDR)	775,837	9,962
	Patria Investments, Ltd., Class A	1,261,854	18,612
	Discovery, Ltd. ²	1,787,895	12,007
	Guaranty Trust Holding Co. PLC	307,903,264	11,402
	Erste Group Bank AG	317,375	10,269
	Nova Ljubljanska Banka dd (GDR)	601,600	9,581
	Bank of Baroda	2,972,400	6,647
	Standard Bank Group, Ltd.	819,299	6,296
	Banco Bilbao Vizcaya Argentaria, SA	725,531	4,746
	TISCO Financial Group PCL, foreign registered shares	1,309,000	3,641
	KB Financial Group, Inc.	75,321	2,724
	HDFC Life Insurance Co., Ltd.	338,644	2,425
	City Union Bank, Ltd.	1,305,600	1,975
	360 ONE WAM, Ltd.	211,952	1,072
	TCS Group Holding PLC (GDR) ^{1,2,3}	326,069	— ⁴
	TCS Group Holding PLC (GDR) ^{2,3}	9,293	— ⁴
	Moscow Exchange MICEX-RTS PJSC ^{2,3}	2,020,003	— ⁴
	Sberbank of Russia PJSC ³	17,138,527	— ⁴
			470,335
Communication services 14.21%	NetEase, Inc.	2,381,600	40,330
	NetEase, Inc. (ADR)	186,210	15,843
	TIM SA	18,330,618	50,440
	Singapore Telecommunications, Ltd.	19,492,200	35,891
	Tencent Holdings, Ltd.	639,602	25,370
	Bharti Airtel, Ltd.	2,119,916	21,778
	MTN Group, Ltd.	3,173,367	19,629
	América Móvil, SAB de CV, Class B (ADR)	861,589	18,317
	Airtel Africa PLC	10,984,800	16,288
	PT Surya Citra Media Tbk	1,455,690,100	13,401
	Yandex NV, Class A ^{2,3}	914,033	7,404
	KT Corp.	297,480	7,071

Common stocks (continued)

		Shares	Value (000)
Communication services (continued)	Telefônica Brasil SA, ordinary nominative shares	871,971	\$ 6,875
	Sea, Ltd., Class A (ADR) ²	99,071	5,688
	Saudi Telecom Co., non-registered shares	282,235	3,254
			<u>287,579</u>
Health care 9.94%	BeiGene, Ltd. (ADR) ²	210,406	46,485
	BeiGene, Ltd. ²	276,600	4,705
	Hypera SA, ordinary nominative shares	5,429,055	43,684
	Jiangsu Hengrui Medicine Co., Ltd., Class A	6,506,269	41,715
	Rede D'Or Sao Luiz SA	5,046,867	28,849
	Innovent Biologics, Inc. ²	4,659,500	21,838
	Legend Biotech Corp. (ADR) ²	135,713	8,709
	Zai Lab, Ltd. (ADR) ²	160,400	5,211
			<u>201,196</u>
Information technology 9.38%	Taiwan Semiconductor Manufacturing Company, Ltd.	5,141,600	93,369
	Taiwan Semiconductor Manufacturing Company, Ltd. (ADR)	176,670	17,418
	Tokyo Electron, Ltd.	226,700	31,428
	Coforge, Ltd.	292,120	16,084
	Samsung Electronics Co., Ltd.	251,802	13,546
	ASML Holding NV	9,610	6,898
	Vanguard International Semiconductor Corp.	1,597,800	4,831
	Infosys, Ltd. (ADR)	229,896	3,669
	Kingdee International Software Group Co., Ltd. ²	1,921,000	2,551
			<u>189,794</u>
Consumer discretionary 9.16%	Midea Group Co., Ltd., Class A	3,858,551	27,878
	Galaxy Entertainment Group, Ltd. ²	4,015,000	24,894
	Alibaba Group Holding, Ltd. ²	2,068,800	20,581
	MakeMyTrip, Ltd., non-registered shares ²	741,311	19,326
	Magazine Luiza SA ²	16,980,159	12,718
	H World Group, Ltd. (ADR) ²	337,508	12,360
	Bloomberry Resorts Corp. ²	66,381,500	12,151
	MercadoLibre, Inc. ²	9,425	11,678
	Trip.com Group, Ltd. (ADR) ²	364,210	11,502
	Li Ning Co., Ltd.	1,498,500	8,037
	Coupang, Inc., Class A ²	391,046	6,100
	Lojas Renner SA ²	1,433,017	5,494
	Momo.com, Inc.	191,160	4,349
	China Tourism Group Duty Free Corp., Ltd., Class A ²	176,490	3,058
	Kering SA	5,421	2,888
	Americanas SA, ordinary nominative shares ²	5,604,585	1,193
	Bosideng International Holdings, Ltd.	2,784,000	1,155
			<u>185,362</u>
Consumer staples 6.81%	Indofood CBP Sukses Makmur Tbk PT	35,130,900	27,420
	Philip Morris International, Inc.	156,694	14,104
	Varun Beverages, Ltd.	630,841	12,921
	KT&G Corp.	196,797	12,396
	First Pacific Co., Ltd.	28,805,033	10,778
	Godrej Consumer Products, Ltd. ²	768,276	9,828
	Kweichow Moutai Co., Ltd., Class A	39,773	9,119
	Kimberly-Clark de México, SAB de CV, Class A, ordinary participation certificates	4,232,380	8,609
	Fomento Económico Mexicano, SAB de CV	589,800	5,939
	Coca-Cola HBC AG (CDI)	191,900	5,701
	ITC, Ltd.	969,073	5,218
	Carlsberg A/S, Class B	31,300	4,715
	Arca Continental, SAB de CV	449,349	4,543
	Dabur India, Ltd.	616,715	4,140
	Foshan Haitian Flavouring and Food Co., Ltd., Class A	265,741	2,263
	X5 Retail Group NV (GDR) ^{2,3}	100,496	— ⁴
			<u>137,694</u>

Common stocks (continued)

		Shares	Value (000)
Industrials	Grupo Aeroportuario del Pacífico, SAB de CV, Class B	1,356,206	\$ 23,995
6.56%	Airbus SE, non-registered shares	147,446	19,313
	International Container Terminal Services, Inc.	4,925,570	17,103
	InPost SA ²	1,388,479	14,975
	CCR SA, ordinary nominative shares	5,338,793	14,280
	Haitian International Holdings, Ltd.	3,304,000	7,502
	AirTAC International Group	210,700	6,802
	Contemporary Amperex Technology Co., Ltd., Class A	170,928	5,321
	Shenzhen Inovance Technology Co., Ltd., Class A	595,600	4,954
	Genpact, Ltd.	124,429	4,577
	Grupo Aeroportuario del Centro Norte, SAB de CV, Series B	418,770	4,337
	Jiangsu Hengli Hydraulic Co., Ltd., Class A ²	505,133	3,879
	DKSH Holding AG	43,800	3,157
	Wizz Air Holdings PLC ²	74,700	2,580
			<u>132,775</u>
Energy	TotalEnergies SE	655,486	37,190
4.84%	AKR Corporindo Tbk PT	288,249,700	26,248
	Adnoc Gas PLC ²	13,840,400	11,644
	Saudi Arabian Oil Co.	1,112,651	9,344
	INPEX Corp.	455,200	4,835
	TechnipFMC PLC ²	353,257	4,642
	Reliance Industries, Ltd.	133,100	3,974
	Gazprom PJSC ³	4,615,160	— ⁴
	Rosneft Oil Co. PJSC ³	705,296	— ⁴
			<u>97,877</u>
Utilities	China Resources Gas Group, Ltd.	7,288,100	23,966
3.39%	ENN Energy Holdings, Ltd.	1,804,600	20,972
	Power Grid Corporation of India, Ltd.	3,792,455	10,720
	Enel Chile SA	118,579,943	6,515
	AES Corp.	328,318	6,481
			<u>68,654</u>
Materials	Barrick Gold Corp.	886,006	14,956
2.34%	Vale SA, ordinary nominative shares	438,417	5,514
	Vale SA (ADR), ordinary nominative shares	430,835	5,463
	China Resources Cement Holdings, Ltd.	28,134,000	10,240
	CEMEX, SAB de CV (ADR), ordinary participation certificates, units ²	886,999	5,322
	Fresnillo PLC	592,800	4,778
	Loma Negra Compania Industrial Argentina SA (ADR)	180,800	1,108
	Alrosa PJSC ^{2,3}	9,682,504	— ⁴
			<u>47,381</u>
Real estate	Prologis Property Mexico, SA de CV, REIT	6,971,371	23,493
2.27%	Alionsce Sonae Shopping Centers SA, ordinary nominative shares	2,998,786	12,809
	Longfor Group Holdings, Ltd.	3,482,000	6,697
	Corp. Inmobiliaria Vesta, SAB de CV	896,122	2,843
			<u>45,842</u>
	Total common stocks (cost: \$1,797,038,000)		<u>1,864,489</u>

Preferred securities 3.02%

Information technology	Samsung Electronics Co., Ltd., nonvoting preferred shares	321,847	14,210
0.70%			
Financials	Banco Bradesco SA, preferred nominative shares	11,633,399	35,565
1.76%			

Preferred securities (continued)		Shares	Value (000)
Materials	Gerdau SA, preferred nominative shares	2,391,134	\$ 11,298
0.56%	Total preferred securities (cost: \$57,297,000)		61,073

Rights & warrants 0.04%

Consumer discretionary	Midea Group Co., Ltd., Class A, warrants, expire 2/26/2024 ^{1,2}	103,800	750
0.04%	Total rights & warrants (cost: \$779,000)		750

Bonds, notes & other debt instruments 0.33%

		Principal amount (000)	
Bonds & notes of governments & government agencies outside the U.S. 0.33%			
	Argentine Republic 3.50% 7/9/2041 (4.875% on 7/9/2029) ⁵	USD13,765	3,577
	Colombia (Republic of) 8.00% 4/20/2033	3,000	3,018
	Total bonds, notes & other debt instruments (cost: \$6,976,000)		6,595

Short-term securities 4.45%

		Shares	
Money market investments 4.45%			
	Capital Group Central Cash Fund 5.11% ^{6,7}	901,101	90,101
	Total short-term securities (cost: \$90,106,000)		90,101
	Total investment securities 99.98% (cost: \$1,952,196,000)		2,023,008
	Other assets less liabilities 0.02%		376
	Net assets 100.00%		\$2,023,384

Investments in affiliates⁷

	Value of affiliate at 12/1/2022 (000)	Additions (000)	Reductions (000)	Net realized gain (000)	Net unrealized depreciation (000)	Value of affiliate at 5/31/2023 (000)	Dividend income (000)
Short-term securities 4.45%							
Money market investments 4.45%							
Capital Group Central Cash Fund 5.11% ⁶	\$59,948	\$221,330	\$191,180	\$10	\$(7)	\$90,101	\$1,764

¹Acquired in a transaction exempt from registration under Rule 144A or, for commercial paper, Section 4(a)(2) of the Securities Act of 1933. May be resold in the U.S. in transactions exempt from registration, normally to qualified institutional buyers. The total value of all such securities was \$12,401,000, which represented .61% of the net assets of the fund.

²Security did not produce income during the last 12 months.

³Value determined using significant unobservable inputs.

⁴Amount less than one thousand.

⁵Step bond; coupon rate may change at a later date.

⁶Rate represents the seven-day yield at 5/31/2023.

⁷Part of the same "group of investment companies" as the fund as defined under the Investment Company Act of 1940, as amended.

Key to abbreviations

ADR = American Depositary Receipts

CDI = CREST Depositary Interest

GDR = Global Depositary Receipts

REIT = Real Estate Investment Trust

USD = U.S. dollars

Refer to the notes to financial statements.

Financial statements

Statement of assets and liabilities at May 31, 2023

unaudited

(dollars in thousands)

Assets:		
Investment securities, at value:		
Unaffiliated issuers (cost: \$1,862,090)	\$1,932,907	
Affiliated issuers (cost: \$90,106)	90,101	\$2,023,008
Cash		584
Cash denominated in currencies other than U.S. dollars (cost: \$4,873)		3,710
Receivables for:		
Sales of fund's shares	841	
Dividends and interest	9,782	
Other	6	10,629
		<u>2,037,931</u>
Liabilities:		
Payables for:		
Purchases of investments	772	
Repurchases of fund's shares	2,325	
Investment advisory services	1,146	
Services provided by related parties	347	
Trustees' deferred compensation	640	
Non-U.S. taxes	9,112	
Other	205	14,547
Net assets at May 31, 2023		<u><u>\$2,023,384</u></u>
Net assets consist of:		
Capital paid in on shares of beneficial interest		\$2,377,100
Total accumulated loss		(353,716)
Net assets at May 31, 2023		<u><u>\$2,023,384</u></u>

(dollars and shares in thousands, except per-share amounts)

Shares of beneficial interest issued and outstanding (no stated par value) – unlimited shares authorized (207,374 total shares outstanding)

	Net assets	Shares outstanding	Net asset value per share
Class A	\$1,028,879	105,441	\$9.76
Class C	32,480	3,363	9.66
Class T	10	1	9.75
Class F-1	29,091	2,978	9.77
Class F-2	416,994	42,704	9.76
Class F-3	410,760	42,090	9.76
Class 529-A	38,492	3,948	9.75
Class 529-C	1,650	171	9.64
Class 529-E	1,314	135	9.74
Class 529-T	11	1	9.75
Class 529-F-1	9	1	9.75
Class 529-F-2	8,460	867	9.76
Class 529-F-3	10	1	9.76
Class R-1	643	67	9.67
Class R-2	8,625	895	9.64
Class R-2E	379	39	9.70
Class R-3	10,339	1,062	9.73
Class R-4	5,645	579	9.75
Class R-5E	2,077	213	9.74
Class R-5	4,564	467	9.77
Class R-6	22,952	2,351	9.76

Refer to the notes to financial statements.

Financial statements (continued)

Statement of operations for the six months ended May 31, 2023

unaudited

(dollars in thousands)

Investment income:

Income:

Dividends (net of non-U.S. taxes of \$3,800; also includes \$1,764 from affiliates)	\$31,483	
Interest from unaffiliated issuers	665	
Securities lending income (net of fees)	6	\$32,154
Fees and expenses*:		
Investment advisory services	6,722	
Distribution services	1,602	
Transfer agent services	1,511	
Administrative services	311	
529 plan services	15	
Reports to shareholders	96	
Registration statement and prospectus	207	
Trustees' compensation	57	
Auditing and legal	31	
Custodian	402	
Other	31	10,985
Net investment income		21,169

Net realized gain and unrealized appreciation:

Net realized gain on:

Investments (net of non-U.S. taxes of \$3,397):		
Unaffiliated issuers	3,417	
Affiliated issuers	10	3,427
Net unrealized appreciation (depreciation) on:		
Investments (net of non-U.S. taxes of \$7,766):		
Unaffiliated issuers	19,193	
Affiliated issuers	(7)	
Currency translations	242	19,428
Net realized gain and unrealized appreciation		22,855

Net increase in net assets resulting from operations

\$44,024

*Additional information related to class-specific fees and expenses is included in the notes to financial statements.

Statements of changes in net assets

(dollars in thousands)

	Six months ended May 31, 2023*	Year ended November 30, 2022
Operations:		
Net investment income	\$ 21,169	\$ 34,065
Net realized gain (loss)	3,427	(193,965)
Net unrealized appreciation (depreciation)	19,428	(514,201)
Net increase (decrease) in net assets resulting from operations	44,024	(674,101)
Distributions paid to shareholders	(12,033)	(28,369)
Net capital share transactions	(61,263)	(229,239)
Total decrease in net assets	(29,272)	(931,709)
Net assets:		
Beginning of period	2,052,656	2,984,365
End of period	\$2,023,384	\$2,052,656

*Unaudited.

Refer to the notes to financial statements.

1. Organization

American Funds Developing World Growth and Income Fund (the “fund”) is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end, diversified management investment company. The fund seeks to provide long-term growth of capital while providing current income.

The fund has 21 share classes consisting of six retail share classes (Classes A, C, T, F-1, F-2 and F-3), seven 529 college savings plan share classes (Classes 529-A, 529-C, 529-E, 529-T, 529-F-1, 529-F-2 and 529-F-3) and eight retirement plan share classes (Classes R-1, R-2, R-2E, R-3, R-4, R-5E, R-5 and R-6). The 529 college savings plan share classes can be used to save for college education. The retirement plan share classes are generally offered only through eligible employer-sponsored retirement plans. The fund’s share classes are described further in the following table:

Share class	Initial sales charge	Contingent deferred sales charge upon redemption	Conversion feature
Classes A and 529-A	Up to 5.75% for Class A; up to 3.50% for Class 529-A	None (except 1.00% for certain redemptions within 18 months of purchase without an initial sales charge)	None
Classes C and 529-C	None	1.00% for redemptions within one year of purchase	Class C converts to Class A after eight years and Class 529-C converts to Class 529-A after five years
Class 529-E	None	None	None
Classes T and 529-T*	Up to 2.50%	None	None
Classes F-1, F-2, F-3, 529-F-1, 529-F-2 and 529-F-3	None	None	None
Classes R-1, R-2, R-2E, R-3, R-4, R-5E, R-5 and R-6	None	None	None

*Class T and 529-T shares are not available for purchase.

Holders of all share classes have equal pro rata rights to the assets, dividends and liquidation proceeds of the fund. Each share class has identical voting rights, except for the exclusive right to vote on matters affecting only its class. Share classes have different fees and expenses (“class-specific fees and expenses”), primarily due to different arrangements for distribution, transfer agent and administrative services. Differences in class-specific fees and expenses will result in differences in net investment income and, therefore, the payment of different per-share dividends by each share class.

2. Significant accounting policies

The fund is an investment company that applies the accounting and reporting guidance issued in Topic 946 by the U.S. Financial Accounting Standards Board. The fund’s financial statements have been prepared to comply with U.S. generally accepted accounting principles (“U.S. GAAP”). These principles require the fund’s investment adviser to make estimates and assumptions that affect reported amounts and disclosures. Actual results could differ from those estimates. Subsequent events, if any, have been evaluated through the date of issuance in the preparation of the financial statements. The fund follows the significant accounting policies described in this section, as well as the valuation policies described in the next section on valuation.

Security transactions and related investment income – Security transactions are recorded by the fund as of the date the trades are executed with brokers. Realized gains and losses from security transactions are determined based on the specific identified cost of the securities. In the event a security is purchased with a delayed payment date, the fund will segregate liquid assets sufficient to meet its payment obligations. Dividend income is recognized on the ex-dividend date and interest income is recognized on an accrual basis. Market discounts, premiums and original issue discounts on fixed-income securities are amortized daily over the expected life of the security.

Class allocations – Income, fees and expenses (other than class-specific fees and expenses), realized gains and losses and unrealized appreciation and depreciation are allocated daily among the various share classes based on their relative net assets. Class-specific fees and expenses, such as distribution, transfer agent and administrative services, are charged directly to the respective share class.

Distributions paid to shareholders – Income dividends and capital gain distributions are recorded on the ex-dividend date.

Currency translation – Assets and liabilities, including investment securities, denominated in currencies other than U.S. dollars are translated into U.S. dollars at the exchange rates supplied by one or more pricing vendors on the valuation date. Purchases and sales of investment securities and income and expenses are translated into U.S. dollars at the exchange rates on the dates of such transactions. The effects of changes in exchange rates on investment securities are included with the net realized gain or loss and net unrealized appreciation or depreciation on investments in the fund’s statement of operations. The realized gain or loss and unrealized appreciation or depreciation resulting from all other transactions denominated in currencies other than U.S. dollars are disclosed separately.

3. Valuation

Capital Research and Management Company (“CRMC”), the fund’s investment adviser, values the fund’s investments at fair value as defined by U.S. GAAP. The net asset value per share is calculated once daily as of the close of regular trading on the New York Stock Exchange, normally 4 p.m. New York time, each day the New York Stock Exchange is open.

Methods and inputs – The fund’s investment adviser uses the following methods and inputs to establish the fair value of the fund’s assets and liabilities. Use of particular methods and inputs may vary over time based on availability and relevance as market and economic conditions evolve.

Equity securities, including depositary receipts, are generally valued at the official closing price of, or the last reported sale price on, the exchange or market on which such securities are traded, as of the close of business on the day the securities are being valued or, lacking any sales, at the last available bid price. Prices for each security are taken from the principal exchange or market on which the security trades.

Fixed-income securities, including short-term securities, are generally valued at evaluated prices obtained from third-party pricing vendors. Vendors value such securities based on one or more of the inputs described in the following table. The table provides examples of inputs that are commonly relevant for valuing particular classes of fixed-income securities in which the fund is authorized to invest. However, these classifications are not exclusive, and any of the inputs may be used to value any other class of fixed-income security.

Fixed-income class	Examples of standard inputs
All	Benchmark yields, transactions, bids, offers, quotations from dealers and trading systems, new issues, spreads and other relationships observed in the markets among comparable securities; and proprietary pricing models such as yield measures calculated using factors such as cash flows, financial or collateral performance and other reference data (collectively referred to as “standard inputs”)
Corporate bonds, notes & loans; convertible securities	Standard inputs and underlying equity of the issuer
Bonds & notes of governments & government agencies	Standard inputs and interest rate volatilities
Mortgage-backed; asset-backed obligations	Standard inputs and cash flows, prepayment information, default rates, delinquency and loss assumptions, collateral characteristics, credit enhancements and specific deal information

Securities with both fixed-income and equity characteristics, or equity securities traded principally among fixed-income dealers, are generally valued in the manner described for either equity or fixed-income securities, depending on which method is deemed most appropriate by the fund’s investment adviser. The Capital Group Central Cash Fund (“CCF”), a fund within the Capital Group Central Fund Series (“Central Funds”), is valued based upon a floating net asset value, which fluctuates with changes in the value of CCF’s portfolio securities. The underlying securities are valued based on the policies and procedures in CCF’s statement of additional information.

Securities and other assets for which representative market quotations are not readily available or are considered unreliable by the fund's investment adviser are fair valued as determined in good faith under fair valuation guidelines adopted by the fund's investment adviser and approved by the board of trustees as further described. The investment adviser follows fair valuation guidelines, consistent with U.S. Securities and Exchange Commission rules and guidance, to consider relevant principles and factors when making fair value determinations. The investment adviser considers relevant indications of value that are reasonably and timely available to it in determining the fair value to be assigned to a particular security, such as the type and cost of the security, contractual or legal restrictions on resale of the security, relevant financial or business developments of the issuer, actively traded similar or related securities, dealer or broker quotes, conversion or exchange rights on the security, related corporate actions, significant events occurring after the close of trading in the security, and changes in overall market conditions. In addition, the closing prices of equity securities that trade in markets outside U.S. time zones may be adjusted to reflect significant events that occur after the close of local trading but before the net asset value of each share class of the fund is determined. Fair valuations of investments that are not actively trading involve judgment and may differ materially from valuations that would have been used had greater market activity occurred.

Processes and structure – The fund's board of trustees has designated the fund's investment adviser to make fair value determinations, subject to board oversight. The investment adviser has established a Joint Fair Valuation Committee (the "Committee") to administer, implement and oversee the fair valuation process and to make fair value decisions. The Committee regularly reviews its own fair value decisions, as well as decisions made under its standing instructions to the investment adviser's valuation team. The Committee reviews changes in fair value measurements from period to period, pricing vendor information and market data, and may, as deemed appropriate, update the fair valuation guidelines to better reflect the results of back testing and address new or evolving issues. Pricing decisions, processes and controls over security valuation are also subject to additional internal reviews facilitated by the investment adviser's global risk management group. The Committee reports changes to the fair valuation guidelines to the board of trustees. The fund's board and audit committee also regularly review reports that describe fair value determinations and methods.

Classifications – The fund's investment adviser classifies the fund's assets and liabilities into three levels based on the inputs used to value the assets or liabilities. Level 1 values are based on quoted prices in active markets for identical securities. Level 2 values are based on significant observable market inputs, such as quoted prices for similar securities and quoted prices in inactive markets. Certain securities trading outside the U.S. may transfer between Level 1 and Level 2 due to valuation adjustments resulting from significant market movements following the close of local trading. Level 3 values are based on significant unobservable inputs that reflect the investment adviser's determination of assumptions that market participants might reasonably use in valuing the securities. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying investment. For example, U.S. government securities are reflected as Level 2 because the inputs used to determine fair value may not always be quoted prices in an active market. The following table presents the fund's valuation levels as of May 31, 2023 (dollars in thousands):

	Investment securities			Total
	Level 1	Level 2	Level 3	
Assets:				
Common stocks:				
Financials	\$ 470,335	\$ –	–*	\$ 470,335
Communication services	280,175	–	7,404	287,579
Health care	201,196	–	–	201,196
Information technology	189,794	–	–	189,794
Consumer discretionary	185,362	–	–	185,362
Consumer staples	137,694	–	–*	137,694
Industrials	132,775	–	–	132,775
Energy	97,877	–	–*	97,877
Utilities	68,654	–	–	68,654
Materials	47,381	–	–*	47,381
Real estate	45,842	–	–	45,842
Preferred securities	61,073	–	–	61,073
Rights & warrants	–	750	–	750
Bonds, notes & other debt instruments	–	6,595	–	6,595
Short-term securities	90,101	–	–	90,101
Total	<u>\$2,008,259</u>	<u>\$7,345</u>	<u>\$7,404</u>	<u>\$2,023,008</u>

*Amount less than one thousand.

4. Risk factors

Investing in the fund may involve certain risks including, but not limited to, those described below.

Market conditions – The prices of, and the income generated by, the common stocks and other securities held by the fund may decline – sometimes rapidly or unpredictably – due to various factors, including events or conditions affecting the general economy or particular industries or companies; overall market changes; local, regional or global political, social or economic instability; governmental, governmental agency or central bank responses to economic conditions; and currency exchange rate, interest rate and commodity price fluctuations.

Economies and financial markets throughout the world are highly interconnected. Economic, financial or political events, trading and tariff arrangements, wars, terrorism, cybersecurity events, natural disasters, public health emergencies (such as the spread of infectious disease) and other circumstances in one country or region, including actions taken by governmental or quasi-governmental authorities in response to any of the foregoing, could have impacts on global economies or markets. As a result, whether or not the fund invests in securities of issuers located in or with significant exposure to the countries affected, the value and liquidity of the fund's investments may be negatively affected by developments in other countries and regions.

Issuer risks – The prices of, and the income generated by, securities held by the fund may decline in response to various factors directly related to the issuers of such securities, including reduced demand for an issuer's goods or services, poor management performance, major litigation, investigations or other controversies related to the issuer, changes in financial condition or credit rating, changes in government regulations affecting the issuer or its competitive environment and strategic initiatives such as mergers, acquisitions or dispositions and the market response to any such initiatives.

Investing outside the U.S. – Securities of issuers domiciled outside the U.S., or with significant operations or revenues outside the U.S., may lose value because of adverse political, social, economic or market developments (including social instability, regional conflicts, terrorism and war) in the countries or regions in which the issuers operate or generate revenue. These securities may also lose value due to changes in foreign currency exchange rates against the U.S. dollar and/or currencies of other countries. Issuers of these securities may be more susceptible to actions of foreign governments, such as nationalization, currency blockage or the imposition of price controls, sanctions, or punitive taxes, each of which could adversely impact the value of these securities. Securities markets in certain countries may be more volatile and/or less liquid than those in the U.S. Investments outside the U.S. may also be subject to different regulatory, legal, accounting, auditing, financial reporting and recordkeeping requirements, and may be more difficult to value, than those in the U.S. In addition, the value of investments outside the U.S. may be reduced by foreign taxes, including foreign withholding taxes on interest and dividends. Further, there may be increased risks of delayed settlement of securities purchased or sold by the fund, which could impact the liquidity of the fund's portfolio. The risks of investing outside the U.S. may be heightened in connection with investments in emerging markets.

Investing in emerging markets – Investing in emerging markets may involve risks in addition to and greater than those generally associated with investing in the securities markets of developed countries. For instance, emerging market countries tend to have less developed political, economic and legal systems than those in developed countries. Accordingly, the governments of these countries may be less stable and more likely to intervene in the market economy, for example, by imposing capital controls, nationalizing a company or industry, placing restrictions on foreign ownership and on withdrawing sale proceeds of securities from the country, and/or imposing punitive taxes that could adversely affect the prices of securities. Information regarding issuers in emerging markets may be limited, incomplete or inaccurate, and such issuers may not be subject to regulatory, accounting, auditing, and financial reporting and recordkeeping standards comparable to those to which issuers in more developed markets are subject. The fund's rights with respect to its investments in emerging markets, if any, will generally be governed by local law, which may make it difficult or impossible for the fund to pursue legal remedies or to obtain and enforce judgments in local courts. In addition, the economies of these countries may be dependent on relatively few industries, may have limited access to capital and may be more susceptible to changes in local and global trade conditions and downturns in the world economy. Securities markets in these countries can also be relatively small and have substantially lower trading volumes. As a result, securities issued in these countries may be more volatile and less liquid, and may be more difficult to value, than securities issued in countries with more developed economies and/or markets. Less certainty with respect to security valuations may lead to additional challenges and risks in calculating the fund's net asset value. Additionally, emerging markets are more likely to experience problems with the clearing and settling of trades and the holding of securities by banks, agents and depositories that are less established than those in developed countries.

Exposure to country, region, industry or sector – Subject to the investment limitations, the fund may have significant exposure to a particular country, region, industry or sector. Such exposure may cause the fund to be more impacted by risks relating to and developments affecting the country, region, industry or sector, and thus its net asset value may be more volatile, than a fund without such levels of exposure. For example, if the fund has significant exposure in a particular country, then social, economic, regulatory or other issues that negatively affect that country may have a greater impact on the fund than on a fund that is more geographically diversified.

Investing in growth-oriented stocks – Growth-oriented common stocks and other equity-type securities (such as preferred stocks, convertible preferred stocks and convertible bonds) may involve larger price swings and greater potential for loss than other types of investments. These risks may be even greater in the case of smaller capitalization stocks.

Investing in income-oriented stocks – The value of the fund's securities and income provided by the fund may be reduced by changes in the dividend policies of, and the capital resources available for dividend payments at, the companies in which the fund invests.

Investing in small companies – Investing in smaller companies may pose additional risks. For example, it is often more difficult to value or dispose of small company stocks and more difficult to obtain information about smaller companies than about larger companies. Furthermore, smaller companies often have limited product lines, operating histories, markets and/or financial resources, may be dependent on one or a few key persons for management, and can be more susceptible to losses. Moreover, the prices of their stocks may be more volatile than stocks of larger, more established companies, particularly during times of market turmoil.

Investing in depositary receipts – Depositary receipts are securities that evidence ownership interests in, and represent the right to receive, a security or a pool of securities that have been deposited with a bank or trust depository. Such securities may be less liquid or may trade at a lower price than the underlying securities of the issuer. Additionally, receipt of corporate information about the underlying issuer and proxy disclosure may not be timely and there may not be a correlation between such information and the market value of the depositary receipts.

Management – The investment adviser to the fund actively manages the fund's investments. Consequently, the fund is subject to the risk that the methods and analyses, including models, tools and data, employed by the investment adviser in this process may be flawed or incorrect and may not produce the desired results. This could cause the fund to lose value or its investment results to lag relevant benchmarks or other funds with similar objectives.

5. Certain investment techniques

Securities lending – The fund has entered into securities lending transactions in which the fund earns income by lending investment securities to brokers, dealers or other institutions. Each transaction involves three parties: the fund, acting as the lender of the securities, a borrower, and a lending agent that acts as an intermediary.

Securities lending transactions are entered into by the fund under a securities lending agent agreement with the lending agent. The lending agent facilitates the exchange of securities between the fund and approved borrowers, ensures that securities loans are properly coordinated and documented, marks-to-market the value of collateral daily, secures additional collateral from a borrower if it falls below preset terms, and may reinvest cash collateral on behalf of the fund according to agreed parameters. The lending agent provides indemnification to the fund against losses resulting from a borrower default. Although risk is mitigated by the collateral and indemnification, the fund could experience a delay in recovering its securities and a potential loss of income or value if a borrower fails to return securities, collateral investments decline in value or the lending agent fails to perform.

The borrower is required to post highly liquid assets, such as cash or U.S. government securities, as collateral for the loan in an amount at least equal to the value of the securities loaned. Investments made with cash collateral are recognized as assets in the fund's investment portfolio. The same amount is recorded as a liability in the fund's statement of assets and liabilities. While securities are on loan, the fund will continue to receive the equivalent of the interest, dividends or other distributions paid by the issuer, as well as a portion of the interest on the investment of the collateral. Additionally, although the fund does not have the right to vote on securities while they are on loan, the fund has a right to consent on corporate actions and a right to recall loaned securities to vote. A borrower is obligated to return loaned securities at the conclusion of a loan or, during the pendency of a loan, on demand from the fund.

As of May 31, 2023, the fund did not have any securities out on loan.

6. Taxation and distributions

Federal income taxation – The fund complies with the requirements under Subchapter M of the Internal Revenue Code applicable to regulated investment companies and intends to distribute substantially all of its net taxable income and net capital gains each year. The fund is not subject to income taxes to the extent such distributions are made. Therefore, no federal income tax provision is required.

As of and during the period ended May 31, 2023, the fund did not have a liability for any unrecognized tax benefits. The fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the statement of operations. During the period, the fund did not incur any significant interest or penalties.

The fund's tax returns are generally not subject to examination by federal, state and, if applicable, non-U.S. tax authorities after the expiration of each jurisdiction's statute of limitations, which is typically three years after the date of filing but can be extended in certain jurisdictions.

Non-U.S. taxation – Dividend and interest income are recorded net of non-U.S. taxes paid. The fund may file withholding tax reclaims in certain jurisdictions to recover a portion of amounts previously withheld. As a result of rulings from European courts, the fund filed for additional reclaims related to prior years. These reclaims are recorded when the amount is known and there are no significant uncertainties on collectability. Gains realized by the fund on the sale of securities in certain countries, if any, may be subject to non-U.S. taxes. The fund generally records an estimated deferred tax liability based on unrealized gains to provide for potential non-U.S. taxes payable upon the sale of these securities.

Distributions – Distributions determined on a tax basis may differ from net investment income and net realized gains for financial reporting purposes. These differences are due primarily to different treatment for items such as currency gains and losses; short-term capital gains and losses; capital losses related to sales of certain securities within 30 days of purchase; net capital losses and non-U.S. taxes on capital gains. The fiscal year in which amounts are distributed may differ from the year in which the net investment income and net realized gains are recorded by the fund for financial reporting purposes.

The components of distributable earnings on a tax basis are reported as of the fund's most recent year-end. As of November 30, 2022, the components of distributable earnings on a tax basis were as follows (dollars in thousands):

Undistributed ordinary income	\$ 6,813
Capital loss carryforward*	(432,251)

*The capital loss carryforward will be used to offset any capital gains realized by the fund in the current year or in subsequent years. The fund will not make distributions from capital gains while a capital loss carryforward remains.

As of May 31, 2023, the tax basis unrealized appreciation (depreciation) and cost of investments were as follows (dollars in thousands):

Gross unrealized appreciation on investments	\$ 334,019
Gross unrealized depreciation on investments	(265,338)
Net unrealized appreciation on investments	68,681
Cost of investments	1,954,327

Tax-basis distributions paid to shareholders from ordinary income were as follows (dollars in thousands):

Share class	Six months ended May 31, 2023	Year ended November 30, 2022
Class A	\$ 5,331	\$12,295
Class C	100	192
Class T	— [†]	— [†]
Class F-1	164	406
Class F-2	2,814	7,053
Class F-3	3,050	7,250
Class 529-A	193	416
Class 529-C	5	7
Class 529-E	6	12
Class 529-T	— [†]	— [†]
Class 529-F-1	— [†]	— [†]
Class 529-F-2	56	109
Class 529-F-3	— [†]	— [†]
Class R-1	2	3
Class R-2	27	46
Class R-2E	2	5
Class R-3	44	86
Class R-4	32	70
Class R-5E	12	22
Class R-5	33	72
Class R-6	162	325
Total	<u>\$12,033</u>	<u>\$28,369</u>

[†]Amount less than one thousand.

7. Fees and transactions with related parties

CRMC, the fund's investment adviser, is the parent company of American Funds Distributors®, Inc. ("AFD"), the principal underwriter of the fund's shares, and American Funds Service Company® ("AFS"), the fund's transfer agent. CRMC, AFD and AFS are considered related parties to the fund.

Investment advisory services – The fund has an investment advisory and service agreement with CRMC that provides for monthly fees accrued daily. These fees are based on a series of decreasing annual rates beginning with 0.649% on the first \$15 billion of daily net assets and decreasing to 0.615% on such assets in excess of \$15 billion. For the six months ended May 31, 2023, the investment advisory services fees were \$6,722,000, which were equivalent to an annualized rate of 0.649% of average daily net assets.

Class-specific fees and expenses – Expenses that are specific to individual share classes are accrued directly to the respective share class. The principal class-specific fees and expenses are further described below:

Distribution services – The fund has plans of distribution for all share classes, except Class F-2, F-3, 529-F-2, 529-F-3, R-5E, R-5 and R-6 shares. Under the plans, the board of trustees approves certain categories of expenses that are used to finance activities primarily intended to sell fund shares and service existing accounts. The plans provide for payments, based on an annualized percentage of average daily net assets, ranging from 0.30% to 1.00% as noted in this section. In some cases, the board of trustees has limited the amounts that may be paid to less than the maximum allowed by the plans. All share classes with a plan may use up to 0.25% of average daily net assets to pay service fees, or to compensate AFD for paying service fees, to firms that have entered into agreements with AFD to provide certain shareholder services. The remaining amounts available to be paid under each plan are paid to dealers to compensate them for their sales activities.

Share class	Currently approved limits	Plan limits
Class A	0.30%	0.30%
Class 529-A	0.30	0.50
Classes C, 529-C and R-1	1.00	1.00
Class R-2	0.75	1.00
Class R-2E	0.60	0.85
Classes 529-E and R-3	0.50	0.75
Classes T, F-1, 529-T, 529-F-1 and R-4	0.25	0.50

For Class A and 529-A shares, distribution-related expenses include the reimbursement of dealer and wholesaler commissions paid by AFD for certain shares sold without a sales charge. These share classes reimburse AFD for amounts billed within the prior 15 months but only to the extent that the overall annual expense limits are not exceeded. As of May 31, 2023, there were no unreimbursed expenses subject to reimbursement for Class A or 529-A shares.

Transfer agent services – The fund has a shareholder services agreement with AFS under which the fund compensates AFS for providing transfer agent services to each of the fund's share classes. These services include recordkeeping, shareholder communications and transaction processing. In addition, the fund reimburses AFS for amounts paid to third parties for performing transfer agent services on behalf of fund shareholders.

Administrative services – The fund has an administrative services agreement with CRMC under which the fund compensates CRMC for providing administrative services to all share classes. Administrative services are provided by CRMC and its affiliates to help assist third parties providing non-distribution services to fund shareholders. These services include providing in-depth information on the fund and market developments that impact fund investments. Administrative services also include, but are not limited to, coordinating, monitoring and overseeing third parties that provide services to fund shareholders. The agreement provides the fund the ability to charge an administrative services fee at the annual rate of 0.05% of the average daily net assets attributable to each share class of the fund. Currently the fund pays CRMC an administrative services fee at the annual rate of 0.03% of the average daily net assets attributable to each share class of the fund for CRMC's provision of administrative services.

529 plan services – Each 529 share class is subject to service fees to compensate the Virginia College Savings Plan ("Virginia529") for its oversight and administration of the CollegeAmerica 529 college savings plan. The fees are based on the combined net assets invested in Class 529 and ABLE shares of the American Funds. Class ABLE shares are offered on other American Funds by Virginia529 through ABLEAmerica®, a tax-advantaged savings program for individuals with disabilities. Virginia529 is not considered a related party to the fund.

The quarterly fees are based on a series of decreasing annual rates beginning with 0.09% on the first \$20 billion of the combined net assets invested in the American Funds and decreasing to 0.03% on such assets in excess of \$75 billion. The fees for any given calendar quarter are accrued and calculated on the basis of the average net assets of Class 529 and ABLE shares of the American Funds for the last month of the prior calendar quarter. For the six months ended May 31, 2023, the 529 plan services fees were \$15,000, which were equivalent to 0.060% of the average daily net assets of each 529 share class.

For the six months ended May 31, 2023, class-specific expenses under the agreements were as follows (dollars in thousands):

Share class	Distribution services	Transfer agent services	Administrative services	529 plan services
Class A	\$1,263	\$1,139	\$159	Not applicable
Class C	179	40	5	Not applicable
Class T	–	–*	–*	Not applicable
Class F-1	37	20	5	Not applicable
Class F-2	Not applicable	229	63	Not applicable
Class F-3	Not applicable	11	63	Not applicable
Class 529-A	41	38	6	\$12
Class 529-C	9	2	–*	1
Class 529-E	3	1	–*	–*
Class 529-T	–	–*	–*	–*
Class 529-F-1	–	–*	–*	–*
Class 529-F-2	Not applicable	2	1	2
Class 529-F-3	Not applicable	–*	–*	–*
Class R-1	3	–*	–*	Not applicable
Class R-2	33	14	1	Not applicable
Class R-2E	1	–*	–*	Not applicable
Class R-3	26	8	2	Not applicable
Class R-4	7	3	1	Not applicable
Class R-5E	Not applicable	2	–*	Not applicable
Class R-5	Not applicable	1	1	Not applicable
Class R-6	Not applicable	1	4	Not applicable
Total class-specific expenses	<u>\$1,602</u>	<u>\$1,511</u>	<u>\$311</u>	<u>\$15</u>

*Amount less than one thousand.

Trustees' deferred compensation – Trustees who are unaffiliated with CRMC may elect to defer the cash payment of part or all of their compensation. These deferred amounts, which remain as liabilities of the fund, are treated as if invested in shares of the fund or other American Funds. These amounts represent general, unsecured liabilities of the fund and vary according to the total returns of the selected funds. Trustees' compensation of \$57,000 in the fund's statement of operations reflects \$6,000 in current fees (either paid in cash or deferred) and a net increase of \$51,000 in the value of the deferred amounts.

Affiliated officers and trustees – Officers and certain trustees of the fund are or may be considered to be affiliated with CRMC, AFD and AFS. No affiliated officers or trustees received any compensation directly from the fund.

Investment in CCF – The fund holds shares of CCF, an institutional prime money market fund managed by CRMC. CCF invests in high-quality, short-term money market instruments. CCF is used as the primary investment vehicle for the fund's short-term instruments. CCF shares are only available for purchase by CRMC, its affiliates, and other funds managed by CRMC or its affiliates, and are not available to the public. CRMC does not receive an investment advisory services fee from CCF.

Security transactions with related funds – The fund purchased investment securities from, and sold investment securities to, other funds managed by CRMC (or funds managed by certain affiliates of CRMC) under procedures adopted by the fund's board of trustees. The funds involved in such transactions are considered related by virtue of having a common investment adviser (or affiliated investment advisers), common trustees and/or common officers. Each transaction was executed at the current market price of the security and no brokerage commissions or fees were paid in accordance with Rule 17a-7 of the 1940 Act. During the six months ended May 31, 2023, the fund engaged in such purchase and sale transactions with related funds in the amounts of \$10,696,000 and \$10,947,000, respectively, which generated \$404,000 of net realized gains from such sales.

Interfund lending – Pursuant to an exemptive order issued by the SEC, the fund, along with other CRMC-managed funds (or funds managed by certain affiliates of CRMC), may participate in an interfund lending program. The program provides an alternate credit facility that permits the funds to lend or borrow cash for temporary purposes directly to or from one another, subject to the conditions of the exemptive order. The fund did not lend or borrow cash through the interfund lending program at any time during the six months ended May 31, 2023.

8. Committed line of credit

The fund participates with other funds managed by CRMC (or funds managed by certain affiliates of CRMC) in a \$1.5 billion credit facility (the "line of credit") to be utilized for temporary purposes to support shareholder redemptions. The fund has agreed to pay commitment fees on its pro-rata portion of the line of credit, which are reflected in other expenses in the fund's statement of operations. The fund did not borrow on this line of credit at any time during the six months ended May 31, 2023.

9. Indemnifications

The fund's organizational documents provide board members and officers with indemnification against certain liabilities or expenses in connection with the performance of their duties to the fund. In the normal course of business, the fund may also enter into contracts that provide general indemnifications. The fund's maximum exposure under these arrangements is unknown since it is dependent on future claims that may be made against the fund. The risk of material loss from such claims is considered remote. Insurance policies are also available to the fund's board members and officers.

10. Capital share transactions

Capital share transactions in the fund were as follows (dollars and shares in thousands):

Share class	Sales*		Reinvestments of distributions		Repurchases*		Net (decrease) increase	
	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares
Six months ended May 31, 2023								
Class A	\$ 51,732	5,233	\$ 5,291	565	\$ (96,468)	(9,848)	\$ (39,445)	(4,050)
Class C	2,673	272	100	11	(9,784)	(1,008)	(7,011)	(725)
Class T	—	—	—	—	—	—	—	—
Class F-1	2,260	227	162	17	(4,020)	(408)	(1,598)	(164)
Class F-2	51,044	5,171	2,771	295	(55,559)	(5,664)	(1,744)	(198)
Class F-3	38,450	3,942	3,046	324	(54,487)	(5,545)	(12,991)	(1,279)
Class 529-A	3,039	308	193	21	(3,094)	(313)	138	16
Class 529-C	239	24	5	1	(506)	(52)	(262)	(27)
Class 529-E	61	6	6	1	(82)	(8)	(15)	(1)
Class 529-T	—	—	— [†]	— [†]	—	—	— [†]	— [†]
Class 529-F-1	—	—	— [†]	— [†]	—	—	— [†]	— [†]
Class 529-F-2	1,015	100	56	6	(708)	(72)	363	34
Class 529-F-3	—	—	— [†]	— [†]	—	—	— [†]	— [†]
Class R-1	51	6	2	— [†]	(122)	(12)	(69)	(6)
Class R-2	859	89	27	3	(835)	(86)	51	6
Class R-2E	28	3	2	— [†]	(91)	(9)	(61)	(6)
Class R-3	1,086	110	44	5	(1,238)	(128)	(108)	(13)
Class R-4	330	34	32	3	(502)	(52)	(140)	(15)
Class R-5E	508	52	12	1	(220)	(22)	300	31
Class R-5	234	24	33	3	(465)	(46)	(198)	(19)
Class R-6	5,037	502	162	17	(3,672)	(372)	1,527	147
Total net increase (decrease)	<u>\$158,646</u>	<u>16,103</u>	<u>\$11,944</u>	<u>1,273</u>	<u>\$(231,853)</u>	<u>(23,645)</u>	<u>\$ (61,263)</u>	<u>(6,269)</u>
Year ended November 30, 2022								
Class A	\$141,200	13,983	\$12,201	1,168	\$(234,249)	(23,747)	\$ (80,848)	(8,596)
Class C	3,348	328	191	17	(26,632)	(2,733)	(23,093)	(2,388)
Class T	—	—	—	—	—	—	—	—
Class F-1	7,204	710	405	39	(14,873)	(1,514)	(7,264)	(765)
Class F-2	112,481	11,126	6,967	671	(190,947)	(20,160)	(71,499)	(8,363)
Class F-3	124,106	12,446	7,228	698	(177,689)	(18,399)	(46,355)	(5,255)
Class 529-A	5,233	507	416	40	(5,445)	(527)	204	20
Class 529-C	369	37	7	1	(1,021)	(100)	(645)	(62)
Class 529-E	86	8	12	1	(139)	(13)	(41)	(4)
Class 529-T	—	—	— [†]	— [†]	—	—	— [†]	— [†]
Class 529-F-1	—	—	— [†]	— [†]	—	—	— [†]	— [†]
Class 529-F-2	2,175	212	109	11	(1,365)	(130)	919	93
Class 529-F-3	—	—	— [†]	— [†]	—	—	— [†]	— [†]
Class R-1	54	5	3	— [†]	(64)	(7)	(7)	(2)
Class R-2	2,543	251	46	4	(4,448)	(451)	(1,859)	(196)
Class R-2E	96	10	4	— [†]	(272)	(31)	(172)	(21)
Class R-3	3,027	295	86	8	(3,284)	(314)	(171)	(11)
Class R-4	1,272	119	70	7	(1,365)	(136)	(23)	(10)
Class R-5E	555	55	22	2	(415)	(39)	162	18
Class R-5	1,257	116	72	7	(984)	(102)	345	21
Class R-6	4,801	473	325	31	(4,018)	(403)	1,108	101
Total net increase (decrease)	<u>\$409,807</u>	<u>40,681</u>	<u>\$28,164</u>	<u>2,705</u>	<u>\$(667,210)</u>	<u>(68,806)</u>	<u>\$(229,239)</u>	<u>(25,420)</u>

*Includes exchanges between share classes of the fund.

[†]Amount less than one thousand.

11. Investment transactions

The fund engaged in purchases and sales of investment securities, excluding short-term securities and U.S. government obligations, if any, of \$449,485,000 and \$548,093,000, respectively, during the six months ended May 31, 2023.

Financial highlights

Year ended	Income (loss) from investment operations ¹					Net assets value, end of year	Total return ^{2,3}	Net assets, end of year (in millions)	Ratio of expenses to average net assets before waivers/reimbursements ⁴	Ratio of expenses to average net assets after waivers/reimbursements ^{3,4}	Ratio of net income (loss) to average net assets ³
	Net asset value, beginning of year	Net investment income (loss)	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)						
Class A:											
5/31/2023 ^{5,6}	\$ 9.61	\$.09	\$.11	\$.20	\$(.05)	\$ 9.76	2.09% ⁷	\$1,029	1.21% ⁸	1.21% ⁸	1.89% ⁸
11/30/2022	12.48	.13	(2.89)	(2.76)	(.11)	9.61	(22.21)	1,052	1.23	1.23	1.30
11/30/2021	11.86	.12	.61	.73	(.11)	12.48	6.15	1,474	1.26	1.26	.89
11/30/2020	10.67	.12	1.18	1.30	(.11)	11.86	12.26	1,398	1.27	1.27	1.12
11/30/2019	9.70	.20	.98	1.18	(.21)	10.67	12.24	1,442	1.29	1.29	1.92
11/30/2018	10.93	.22	(1.22)	(1.00)	(.23)	9.70	(9.26)	1,413	1.25	1.25	2.05
Class C:											
5/31/2023 ^{5,6}	9.52	.05	.12	.17	(.03)	9.66	1.75 ⁷	32	1.97 ⁸	1.97 ⁸	1.08 ⁸
11/30/2022	12.38	.05	(2.88)	(2.83)	(.03)	9.52	(22.88)	39	2.00	2.00	.50
11/30/2021	11.78	.02	.61	.63	(.03)	12.38	5.36	80	1.99	1.99	.16
11/30/2020	10.61	.04	1.17	1.21	(.04)	11.78	11.48	86	2.02	2.02	.37
11/30/2019	9.66	.12	.97	1.09	(.14)	10.61	11.31	96	2.06	2.06	1.14
11/30/2018	10.88	.13	(1.20)	(1.07)	(.15)	9.66	(9.91)	101	2.04	2.04	1.25
Class T:											
5/31/2023 ^{5,6}	9.60	.11	.10	.21	(.06)	9.75	2.24 ^{7,9}	— ¹⁰	.90 ^{8,9}	.90 ^{8,9}	2.22 ^{8,9}
11/30/2022	12.48	.16	(2.91)	(2.75)	(.13)	9.60	(22.08) ⁹	— ¹⁰	.97 ⁹	.97 ⁹	1.57 ⁹
11/30/2021	11.86	.15	.61	.76	(.14)	12.48	6.40 ⁹	— ¹⁰	1.01 ⁹	1.01 ⁹	1.12 ⁹
11/30/2020	10.67	.14	1.18	1.32	(.13)	11.86	12.57 ⁹	— ¹⁰	1.01 ⁹	1.01 ⁹	1.38 ⁹
11/30/2019	9.70	.22	.98	1.20	(.23)	10.67	12.52 ⁹	— ¹⁰	1.05 ⁹	1.05 ⁹	2.17 ⁹
11/30/2018	10.93	.24	(1.21)	(.97)	(.26)	9.70	(9.06) ⁹	— ¹⁰	1.04 ⁹	1.04 ⁹	2.24 ⁹
Class F-1:											
5/31/2023 ^{5,6}	9.62	.10	.10	.20	(.05)	9.77	2.13 ⁷	29	1.14 ⁸	1.14 ⁸	1.95 ⁸
11/30/2022	12.49	.14	(2.90)	(2.76)	(.11)	9.62	(22.18)	30	1.19	1.19	1.33
11/30/2021	11.87	.12	.62	.74	(.12)	12.49	6.17	49	1.23	1.23	.92
11/30/2020	10.68	.12	1.18	1.30	(.11)	11.87	12.29	57	1.22	1.22	1.17
11/30/2019	9.71	.20	.98	1.18	(.21)	10.68	12.25	67	1.26	1.26	1.96
11/30/2018	10.93	.22	(1.21)	(.99)	(.23)	9.71	(9.19)	65	1.25	1.25	2.01
Class F-2:											
5/31/2023 ^{5,6}	9.62	.11	.10	.21	(.07)	9.76	2.17 ⁷	417	.87 ⁸	.87 ⁸	2.24 ⁸
11/30/2022	12.49	.16	(2.89)	(2.73)	(.14)	9.62	(21.94)	413	.92	.92	1.63
11/30/2021	11.87	.16	.61	.77	(.15)	12.49	6.46	641	.95	.95	1.19
11/30/2020	10.68	.15	1.18	1.33	(.14)	11.87	12.62	588	.95	.95	1.43
11/30/2019	9.71	.22	.98	1.20	(.23)	10.68	12.55	593	1.00	1.00	2.17
11/30/2018	10.94	.25	(1.22)	(.97)	(.26)	9.71	(9.00)	646	.99	.99	2.33
Class F-3:											
5/31/2023 ^{5,6}	9.61	.12	.10	.22	(.07)	9.76	2.33 ⁷	411	.76 ⁸	.76 ⁸	2.34 ⁸
11/30/2022	12.49	.18	(2.91)	(2.73)	(.15)	9.61	(21.93)	417	.81	.81	1.74
11/30/2021	11.87	.17	.61	.78	(.16)	12.49	6.57	607	.85	.85	1.29
11/30/2020	10.67	.16	1.19	1.35	(.15)	11.87	12.85	556	.87	.86	1.53
11/30/2019	9.71	.24	.97	1.21	(.25)	10.67	12.57	546	.90	.89	2.35
11/30/2018	10.94	.25	(1.21)	(.96)	(.27)	9.71	(8.84)	448	.90	.90	2.37
Class 529-A:											
5/31/2023 ^{5,6}	9.60	.09	.11	.20	(.05)	9.75	2.10 ⁷	38	1.23 ⁸	1.23 ⁸	1.89 ⁸
11/30/2022	12.48	.13	(2.90)	(2.77)	(.11)	9.60	(22.30)	38	1.26	1.26	1.29
11/30/2021	11.86	.11	.62	.73	(.11)	12.48	6.11	49	1.28	1.28	.86
11/30/2020	10.66	.11	1.19	1.30	(.10)	11.86	12.34	43	1.29	1.29	1.09
11/30/2019	9.70	.19	.97	1.16	(.20)	10.66	12.10	40	1.32	1.32	1.89
11/30/2018	10.92	.21	(1.20)	(.99)	(.23)	9.70	(9.20)	36	1.29	1.29	2.02

Refer to the end of the table for footnotes.

Financial highlights (continued)

Year ended	Income (loss) from investment operations ¹					Net assets value, end of year	Total return ^{2,3}	Net assets, end of year (in millions)	Ratio of expenses to average net assets before waivers/ reimburse-ments ⁴	Ratio of expenses to average net assets after waivers/ reimburse-ments ^{3,4}	Ratio of net income (loss) to average net assets ³
	Net asset value, beginning of year	Net investment income (loss)	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends (from net investment income)						
Class 529-C:											
5/31/2023 ^{5,6}	\$ 9.51	\$.05	\$.11	\$.16	\$(.03)	\$ 9.64	1.65% ⁷	\$2	2.02% ⁸	2.02% ⁸	1.06% ⁸
11/30/2022	12.36	.05	(2.87)	(2.82)	(.03)	9.51	(22.91)	2	2.04	2.04	.47
11/30/2021	11.77	.01	.61	.62	(.03)	12.36	5.32	3	2.04	2.04	.11
11/30/2020	10.60	.04	1.17	1.21	(.04)	11.77	11.43	4	2.07	2.07	.41
11/30/2019	9.65	.11	.97	1.08	(.13)	10.60	11.29	5	2.10	2.10	1.11
11/30/2018	10.87	.13	(1.21)	(1.08)	(.14)	9.65	(9.97)	5	2.09	2.09	1.20
Class 529-E:											
5/31/2023 ^{5,6}	9.60	.08	.10	.18	(.04)	9.74	1.92 ⁷	1	1.38 ⁸	1.38 ⁸	1.71 ⁸
11/30/2022	12.47	.11	(2.89)	(2.78)	(.09)	9.60	(22.38)	1	1.41	1.41	1.12
11/30/2021	11.85	.09	.62	.71	(.09)	12.47	5.98	2	1.44	1.44	.70
11/30/2020	10.65	.10	1.19	1.29	(.09)	11.85	12.18	1	1.44	1.44	.96
11/30/2019	9.69	.18	.97	1.15	(.19)	10.65	11.93	1	1.48	1.48	1.73
11/30/2018	10.92	.20	(1.22)	(1.02)	(.21)	9.69	(9.38)	1	1.48	1.48	1.88
Class 529-T:											
5/31/2023 ^{5,6}	9.60	.11	.10	.21	(.06)	9.75	2.21 ^{7,9}	— ¹⁰	.98 ^{8,9}	.98 ^{8,9}	2.14 ^{8,9}
11/30/2022	12.48	.15	(2.90)	(2.75)	(.13)	9.60	(22.12) ⁹	— ¹⁰	1.03 ⁹	1.03 ⁹	1.51 ⁹
11/30/2021	11.86	.14	.62	.76	(.14)	12.48	6.36 ⁹	— ¹⁰	1.05 ⁹	1.05 ⁹	1.09 ⁹
11/30/2020	10.67	.14	1.18	1.32	(.13)	11.86	12.51 ⁹	— ¹⁰	1.06 ⁹	1.06 ⁹	1.33 ⁹
11/30/2019	9.70	.22	.98	1.20	(.23)	10.67	12.47 ⁹	— ¹⁰	1.09 ⁹	1.09 ⁹	2.11 ⁹
11/30/2018	10.93	.23	(1.21)	(.98)	(.25)	9.70	(9.11) ⁹	— ¹⁰	1.09 ⁹	1.09 ⁹	2.18 ⁹
Class 529-F-1:											
5/31/2023 ^{5,6}	9.60	.11	.10	.21	(.06)	9.75	2.24 ^{7,9}	— ¹⁰	.96 ^{8,9}	.96 ^{8,9}	2.15 ^{8,9}
11/30/2022	12.48	.16	(2.91)	(2.75)	(.13)	9.60	(22.10) ⁹	— ¹⁰	.99 ⁹	.99 ⁹	1.55 ⁹
11/30/2021	11.86	.14	.62	.76	(.14)	12.48	6.39 ⁹	— ¹⁰	1.03 ⁹	1.03 ⁹	1.10 ⁹
11/30/2020	10.67	.15	1.17	1.32	(.13)	11.86	12.50 ⁹	— ¹⁰	1.07 ⁹	1.07 ⁹	1.48 ⁹
11/30/2019	9.70	.21	.98	1.19	(.22)	10.67	12.44	6	1.11	1.11	2.04
11/30/2018	10.93	.21	(1.19)	(.98)	(.25)	9.70	(9.09)	6	1.09	1.09	2.04
Class 529-F-2:											
5/31/2023 ^{5,6}	9.61	.11	.11	.22	(.07)	9.76	2.29 ⁷	8	.87 ⁸	.87 ⁸	2.25 ⁸
11/30/2022	12.49	.17	(2.91)	(2.74)	(.14)	9.61	(22.02)	8	.91	.91	1.66
11/30/2021	11.87	.15	.62	.77	(.15)	12.49	6.44	9	.97	.97	1.16
11/30/2020 ^{5,11}	10.62	— ¹²	1.25	1.25	—	11.87	11.77 ⁷	7	.09 ⁷	.09 ⁷	(.02) ⁷
Class 529-F-3:											
5/31/2023 ^{5,6}	9.61	.11	.11	.22	(.07)	9.76	2.30 ⁷	— ¹⁰	.84 ⁸	.84 ⁸	2.28 ⁸
11/30/2022	12.49	.17	(2.91)	(2.74)	(.14)	9.61	(21.98)	— ¹⁰	.86	.86	1.68
11/30/2021	11.87	.16	.62	.78	(.16)	12.49	6.52	— ¹⁰	.94	.91	1.23
11/30/2020 ^{5,11}	10.62	— ¹²	1.25	1.25	—	11.87	11.77 ⁷	— ¹⁰	.09 ⁷	.08 ⁷	(.01) ⁷
Class R-1:											
5/31/2023 ^{5,6}	9.54	.06	.10	.16	(.03)	9.67	1.69 ⁷	1	1.86 ⁸	1.86 ⁸	1.24 ⁸
11/30/2022	12.40	.07	(2.89)	(2.82)	(.04)	9.54	(22.75)	1	1.89	1.89	.66
11/30/2021	11.79	.03	.62	.65	(.04)	12.40	5.49	1	1.93	1.93	.23
11/30/2020	10.62	.04	1.18	1.22	(.05)	11.79	11.50	1	1.98	1.98	.40
11/30/2019	9.67	.12	.97	1.09	(.14)	10.62	11.36	1	2.01	2.01	1.22
11/30/2018	10.89	.14	(1.20)	(1.06)	(.16)	9.67	(9.86)	1	1.99	1.99	1.33

Refer to the end of the table for footnotes.

Financial highlights (continued)

Year ended	Income (loss) from investment operations ¹				Dividends (from net investment income)	Net assets value, end of year	Total return ^{2,3}	Net assets, end of year (in millions)	Ratio of expenses to average net assets before waivers/reimburse-ments ⁴	Ratio of expenses to average net assets after waivers/reimburse-ments ^{3,4}	Ratio of net income (loss) to average net assets ³
	Net asset value, beginning of year	Net investment income (loss)	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations							
Class R-2:											
5/31/2023 ^{5,6}	\$ 9.51	\$.06	\$.10	\$.16	\$(.03)	\$ 9.64	1.70% ⁷	\$ 9	1.84% ⁸	1.84% ⁸	1.28% ⁸
11/30/2022	12.36	.06	(2.87)	(2.81)	(.04)	9.51	(22.74)	8	1.92	1.92	.62
11/30/2021	11.76	.03	.61	.64	(.04)	12.36	5.44	13	1.94	1.94	.21
11/30/2020	10.59	.05	1.17	1.22	(.05)	11.76	11.58	13	1.94	1.94	.46
11/30/2019	9.64	.13	.96	1.09	(.14)	10.59	11.43	13	1.97	1.97	1.24
11/30/2018	10.87	.14	(1.21)	(1.07)	(.16)	9.64	(9.86)	12	1.97	1.97	1.32
Class R-2E:											
5/31/2023 ^{5,6}	9.56	.08	.10	.18	(.04)	9.70	1.86 ⁷	— ¹⁰	1.55 ⁸	1.55 ⁸	1.57 ⁸
11/30/2022	12.42	.10	(2.89)	(2.79)	(.07)	9.56	(22.54)	— ¹⁰	1.62	1.62	.95
11/30/2021	11.81	.06	.62	.68	(.07)	12.42	5.74	1	1.64	1.64	.46
11/30/2020	10.63	.08	1.17	1.25	(.07)	11.81	11.86	1	1.68	1.68	.74
11/30/2019	9.67	.15	.97	1.12	(.16)	10.63	11.72	1	1.71	1.71	1.43
11/30/2018	10.90	.18	(1.22)	(1.04)	(.19)	9.67	(9.55)	— ¹⁰	1.74	1.70	1.81
Class R-3:											
5/31/2023 ^{5,6}	9.59	.08	.10	.18	(.04)	9.73	1.91 ⁷	10	1.41 ⁸	1.41 ⁸	1.72 ⁸
11/30/2022	12.45	.11	(2.89)	(2.78)	(.08)	9.59	(22.38)	10	1.46	1.46	1.07
11/30/2021	11.84	.08	.61	.69	(.08)	12.45	5.83	13	1.49	1.49	.65
11/30/2020	10.64	.09	1.19	1.28	(.08)	11.84	12.15	14	1.50	1.50	.89
11/30/2019	9.68	.17	.97	1.14	(.18)	10.64	11.89	13	1.53	1.53	1.67
11/30/2018	10.91	.18	(1.21)	(1.03)	(.20)	9.68	(9.53)	12	1.54	1.54	1.74
Class R-4:											
5/31/2023 ^{5,6}	9.60	.10	.10	.20	(.05)	9.75	2.16 ⁷	6	1.11 ⁸	1.11 ⁸	2.01 ⁸
11/30/2022	12.48	.14	(2.91)	(2.77)	(.11)	9.60	(22.23)	6	1.16	1.16	1.39
11/30/2021	11.86	.12	.62	.74	(.12)	12.48	6.22	8	1.19	1.19	.94
11/30/2020	10.66	.12	1.19	1.31	(.11)	11.86	12.43	7	1.20	1.20	1.17
11/30/2019	9.70	.20	.97	1.17	(.21)	10.66	12.19	8	1.24	1.24	1.95
11/30/2018	10.92	.21	(1.19)	(.98)	(.24)	9.70	(9.15)	8	1.24	1.24	2.02
Class R-5E:											
5/31/2023 ^{5,6}	9.59	.11	.10	.21	(.06)	9.74	2.26 ⁷	2	.91 ⁸	.91 ⁸	2.22 ⁸
11/30/2022	12.47	.16	(2.91)	(2.75)	(.13)	9.59	(22.09)	2	.97	.97	1.60
11/30/2021	11.85	.15	.62	.77	(.15)	12.47	6.43	2	1.00	1.00	1.14
11/30/2020	10.65	.14	1.19	1.33	(.13)	11.85	12.69	1	1.00	1.00	1.36
11/30/2019	9.69	.21	.98	1.19	(.23)	10.65	12.42	1	1.04	1.04	2.02
11/30/2018	10.92	.25	(1.22)	(.97)	(.26)	9.69	(9.01)	1	1.03	1.02	2.49
Class R-5:											
5/31/2023 ^{5,6}	9.62	.11	.11	.22	(.07)	9.77	2.30 ⁷	5	.81 ⁸	.81 ⁸	2.31 ⁸
11/30/2022	12.50	.17	(2.90)	(2.73)	(.15)	9.62	(21.95)	5	.86	.86	1.70
11/30/2021	11.87	.16	.63	.79	(.16)	12.50	6.60	6	.90	.90	1.26
11/30/2020	10.68	.16	1.17	1.33	(.14)	11.87	12.69	5	.90	.90	1.49
11/30/2019	9.72	.23	.97	1.20	(.24)	10.68	12.51	6	.93	.93	2.25
11/30/2018	10.94	.25	(1.20)	(.95)	(.27)	9.72	(8.86)	5	.93	.93	2.34
Class R-6:											
5/31/2023 ^{5,6}	9.62	.11	.10	.21	(.07)	9.76	2.23 ⁷	23	.76 ⁸	.76 ⁸	2.31 ⁸
11/30/2022	12.49	.18	(2.90)	(2.72)	(.15)	9.62	(21.85)	21	.81	.81	1.75
11/30/2021	11.87	.17	.61	.78	(.16)	12.49	6.57	26	.85	.85	1.31
11/30/2020	10.68	.16	1.18	1.34	(.15)	11.87	12.75	22	.85	.85	1.52
11/30/2019	9.71	.23	.99	1.22	(.25)	10.68	12.69	34	.88	.88	2.24
11/30/2018	10.94	.25	(1.21)	(.96)	(.27)	9.71	(8.90)	38	.88	.88	2.39

Refer to the end of the table for footnotes.

Financial highlights (continued)

	Six months ended May 31, 2023 ^{5,6,7}	Year ended November 30,				
		2022	2021	2020	2019	2018
Portfolio turnover rate for all share classes ¹³	23%	45%	32%	36%	40%	31%

¹Based on average shares outstanding.

²Total returns exclude any applicable sales charges, including contingent deferred sales charges.

³This column reflects the impact, if any, of certain waivers/reimbursements from AFS and/or CRMC. During some of the years shown, AFS waived a portion of transfer agent services fees for Class F-3 shares. In addition, during some of the years shown, CRMC reimbursed a portion of transfer agent services fees for certain share classes.

⁴Ratios do not include expenses of any Central Funds. The fund indirectly bears its proportionate share of the expenses of any Central Funds.

⁵Based on operations for a period that is less than a full year.

⁶Unaudited.

⁷Not annualized.

⁸Annualized.

⁹All or a significant portion of assets in this class consisted of seed capital invested by CRMC and/or its affiliates. Fees for distribution services are not charged or accrued on these seed capital assets. If such fees were paid by the fund on seed capital assets, fund expenses would have been higher and net income and total return would have been lower.

¹⁰Amount less than \$1 million.

¹¹Class 529-F-2 and 529-F-3 shares began investment operations on October 30, 2020.

¹²Amount less than \$.01.

¹³Rates do not include the fund's portfolio activity with respect to any Central Funds.

Refer to the notes to financial statements.

As a fund shareholder, you incur two types of costs: (1) transaction costs, such as initial sales charges on purchase payments and contingent deferred sales charges on redemptions (loads), and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the fund so you can compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire six-month period (December 1, 2022, through May 31, 2023).

Actual expenses:

The first line of each share class in the table on the following page provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading titled "Expenses paid during period" to estimate the expenses you paid on your account during this period.

Hypothetical example for comparison purposes:

The second line of each share class in the table on the following page provides information about hypothetical account values and hypothetical expenses based on the actual expense ratio for the share class and an assumed rate of return of 5.00% per year before expenses, which is not the actual return of the share class. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the fund and other funds. To do so, compare this 5.00% hypothetical example with the 5.00% hypothetical examples that appear in the shareholder reports of the other funds.

Notes:

Retirement plan participants may be subject to certain fees charged by the plan sponsor, and Class F-1, F-2, F-3, 529-F-1, 529-F-2 and 529-F-3 shareholders may be subject to fees charged by financial intermediaries, typically ranging from 0.75% to 1.50% of assets annually depending on services offered. You can estimate the impact of these fees by adding the amount of the fees to the total estimated expenses you paid on your account during the period as calculated above. In addition, your ending account value would be lower by the amount of these fees.

Note that the expenses shown in the table on the following page are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads). Therefore, the second line of each share class in the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

Expense example (continued)

	Beginning account value 12/1/2022	Ending account value 5/31/2023	Expenses paid during period*	Annualized expense ratio
Class A - actual return	\$1,000.00	\$1,020.93	\$ 6.10	1.21%
Class A - assumed 5% return	1,000.00	1,018.90	6.09	1.21
Class C - actual return	1,000.00	1,017.51	9.91	1.97
Class C - assumed 5% return	1,000.00	1,015.11	9.90	1.97
Class T - actual return	1,000.00	1,022.41	4.54	.90
Class T - assumed 5% return	1,000.00	1,020.44	4.53	.90
Class F-1 - actual return	1,000.00	1,021.30	5.74	1.14
Class F-1 - assumed 5% return	1,000.00	1,019.25	5.74	1.14
Class F-2 - actual return	1,000.00	1,021.70	4.39	.87
Class F-2 - assumed 5% return	1,000.00	1,020.59	4.38	.87
Class F-3 - actual return	1,000.00	1,023.34	3.83	.76
Class F-3 - assumed 5% return	1,000.00	1,021.14	3.83	.76
Class 529-A - actual return	1,000.00	1,020.95	6.20	1.23
Class 529-A - assumed 5% return	1,000.00	1,018.80	6.19	1.23
Class 529-C - actual return	1,000.00	1,016.45	10.16	2.02
Class 529-C - assumed 5% return	1,000.00	1,014.86	10.15	2.02
Class 529-E - actual return	1,000.00	1,019.18	6.95	1.38
Class 529-E - assumed 5% return	1,000.00	1,018.05	6.94	1.38
Class 529-T - actual return	1,000.00	1,022.12	4.94	.98
Class 529-T - assumed 5% return	1,000.00	1,020.04	4.94	.98
Class 529-F-1 - actual return	1,000.00	1,022.40	4.84	.96
Class 529-F-1 - assumed 5% return	1,000.00	1,020.14	4.84	.96
Class 529-F-2 - actual return	1,000.00	1,022.86	4.39	.87
Class 529-F-2 - assumed 5% return	1,000.00	1,020.59	4.38	.87
Class 529-F-3 - actual return	1,000.00	1,023.01	4.24	.84
Class 529-F-3 - assumed 5% return	1,000.00	1,020.74	4.23	.84
Class R-1 - actual return	1,000.00	1,016.91	9.35	1.86
Class R-1 - assumed 5% return	1,000.00	1,015.66	9.35	1.86
Class R-2 - actual return	1,000.00	1,017.01	9.25	1.84
Class R-2 - assumed 5% return	1,000.00	1,015.76	9.25	1.84
Class R-2E - actual return	1,000.00	1,018.61	7.80	1.55
Class R-2E - assumed 5% return	1,000.00	1,017.20	7.80	1.55
Class R-3 - actual return	1,000.00	1,019.07	7.10	1.41
Class R-3 - assumed 5% return	1,000.00	1,017.90	7.09	1.41
Class R-4 - actual return	1,000.00	1,021.58	5.59	1.11
Class R-4 - assumed 5% return	1,000.00	1,019.40	5.59	1.11
Class R-5E - actual return	1,000.00	1,022.60	4.59	.91
Class R-5E - assumed 5% return	1,000.00	1,020.39	4.58	.91
Class R-5 - actual return	1,000.00	1,023.05	4.09	.81
Class R-5 - assumed 5% return	1,000.00	1,020.89	4.08	.81
Class R-6 - actual return	1,000.00	1,022.26	3.83	.76
Class R-6 - assumed 5% return	1,000.00	1,021.14	3.83	.76

*The "expenses paid during period" are equal to the "annualized expense ratio," multiplied by the average account value over the period, multiplied by the number of days in the period, and divided by 365 (to reflect the one-half year period).

Approval of Investment Advisory and Service Agreement

The fund's board has approved the continuation of the fund's Investment Advisory and Service Agreement (the "agreement") with Capital Research and Management Company ("CRMC") for an additional one-year term through January 31, 2024. The board approved the agreement following the recommendation of the fund's Contracts Committee (the "committee"), which is composed of all the fund's independent board members. The board and the committee noted that the advisory fee had been reduced effective May 1, 2022. The board and the committee determined in the exercise of their business judgment that the fund's advisory fee structure was fair and reasonable in relation to the services provided, and that approving the agreement was in the best interests of the fund and its shareholders.

In reaching this decision, the board and the committee took into account their interactions with CRMC as well as information furnished to them throughout the year and otherwise provided to them, as well as information prepared specifically in connection with their review of the agreement, and were advised by their independent counsel with respect to the matters considered. They considered the following factors, among others, but did not identify any single issue or particular piece of information that, in isolation, was the controlling factor, and each board and committee member did not necessarily attribute the same weight to each factor.

1. Nature, extent and quality of services

The board and the committee considered the depth and quality of CRMC's investment management process, including its global research capabilities; the experience, capability and integrity of its senior management and other personnel; the low turnover rates of its key personnel; the overall financial strength and stability of CRMC and the Capital Group organization; the resources and systems CRMC devotes to investment management (the manner in which the fund's assets are managed, including liquidity management), financial, investment operations, compliance, trading, proxy voting, shareholder communications, and other services; and the ongoing evolution of CRMC's organizational structure designed to maintain and strengthen these qualities. The board and the committee also considered the nature, extent and quality of administrative and shareholder services provided by CRMC to the fund under the agreement and other agreements, as well as the benefits to fund shareholders from investing in a fund that is part of a large family of funds. The board and the committee considered the risks assumed by CRMC in providing services to the fund, including operational, business, financial, reputational, regulatory and litigation risks. The board and the committee concluded that the nature, extent and quality of the services provided by CRMC have benefited and should continue to benefit the fund and its shareholders.

2. Investment results

The board and the committee considered the investment results of the fund in light of its objective. They compared the fund's investment results with those of other funds (including funds that currently form the basis of the Lipper index for the category in which the fund is included) and data such as relevant market and fund indexes over various periods (including the fund's lifetime) through June 30, 2022. They generally placed greater emphasis on investment results over longer term periods. On the basis of this evaluation and the board's and the committee's ongoing review of investment results, and considering the relative market conditions during certain reporting periods, the board and the committee concluded that the fund's investment results have been satisfactory for renewal of the agreement, and that CRMC's record in managing the fund indicated that its continued management should benefit the fund and its shareholders.

3. Advisory fees and total expenses

The board and the committee compared the advisory fees and total expense levels of the fund to those of other relevant funds. They observed that the fund's advisory fees and expenses generally compared favorably to those of other similar funds included in the comparable Lipper category. The board and the committee considered that the fund's advisory fee had been reduced effective May 1, 2022. The board and the committee also considered the breakpoint discounts in the fund's advisory fee structure that reduce the level of fees charged by CRMC to the fund as fund assets increase. In addition, they reviewed information regarding the effective advisory fees charged to non-mutual fund clients by CRMC and its affiliates. They noted that, to the extent there were differences between the advisory fees paid by the fund and the advisory fees paid by those clients, the differences appropriately reflected the investment, operational, regulatory and market differences between advising the fund and the other clients. The board and the committee concluded that the fund's cost structure was fair and reasonable in relation to the services provided, as well as in relation to the risks assumed by the adviser in sponsoring and managing the fund, and that the fund's shareholders receive reasonable value in return for the advisory fees and other amounts paid to CRMC by the fund.

4. Ancillary benefits

The board and the committee considered a variety of other benefits that CRMC and its affiliates receive as a result of CRMC's relationship with the fund and other American Funds, including fees for administrative services provided to certain share classes; fees paid to CRMC's affiliated transfer agent; sales charges and distribution fees received and retained by the fund's principal underwriter, an affiliate of CRMC; and possible ancillary benefits to CRMC and its institutional management affiliates in managing other investment vehicles. The board and the committee reviewed CRMC's portfolio trading practices, noting that CRMC bears the cost of third-party research. The board and committee also noted that CRMC benefitted from the use of commissions from portfolio transactions made on behalf of the fund to facilitate payment to certain broker-dealers for research to comply with regulatory requirements applicable to these firms, with all such amounts reimbursed by CRMC. The board and the committee took these ancillary benefits into account in evaluating the reasonableness of the advisory fees and other amounts paid to CRMC by the fund.

5. Adviser financial information

The board and the committee reviewed information regarding CRMC's costs of providing services to the American Funds, including personnel, systems and resources of investment, compliance, trading, accounting and other administrative operations. They considered CRMC's costs and related cost allocation methodology as well as its track record of investing in technology, infrastructure and staff to maintain and expand services and capabilities, respond to industry and regulatory developments, and attract and retain qualified personnel. They noted information regarding the compensation structure for CRMC's investment professionals. They reviewed information on the profitability of the investment adviser and its affiliates. The board and the committee also compared CRMC's profitability and compensation data to the reported results and data of a number of large, publicly held investment management companies. The board and the committee noted the competitiveness and cyclicity of both the mutual fund industry and the capital markets, and the importance in that environment of CRMC's long-term profitability for maintaining its independence, company culture and management continuity. They further considered the breakpoint discounts in the fund's advisory fee structure and CRMC's sharing of potential economies of scale, or efficiencies, through breakpoints and other fee reductions and costs voluntarily absorbed. The board and the committee concluded that the fund's advisory fee structure reflected a reasonable sharing of benefits between CRMC and the fund's shareholders.

The fund has adopted a liquidity risk management program (the “program”). The fund’s board has designated Capital Research and Management Company (“CRMC”) as the administrator of the program. Personnel of CRMC or its affiliates conduct the day-to-day operation of the program pursuant to policies and procedures administered by the Capital Group Liquidity Risk Management Committee.

Under the program, CRMC manages the fund’s liquidity risk, which is the risk that the fund could not meet shareholder redemption requests without significant dilution of remaining shareholders’ interests in the fund. This risk is managed by monitoring the degree of liquidity of the fund’s investments, limiting the amount of the fund’s illiquid investments, and utilizing various risk management tools and facilities available to the fund for meeting shareholder redemptions, among other means. CRMC’s process of determining the degree of liquidity of the fund’s investments is supported by one or more third-party liquidity assessment vendors.

The fund’s board reviewed a report prepared by CRMC regarding the operation and effectiveness of the program for the period October 1, 2021, through September 30, 2022. No significant liquidity events impacting the fund were noted in the report. In addition, CRMC provided its assessment that the program had been effective in managing the fund’s liquidity risk.

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Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectus and summary prospectus, which can be obtained from your financial professional and should be read carefully before investing. You may also call American Funds Service Company (AFS) at (800) 421-4225 or refer to the Capital Group website at capitalgroup.com.

"American Funds Proxy Voting Procedures and Principles" – which describes how we vote proxies relating to portfolio securities – is available on our website or upon request by calling AFS. The fund files its proxy voting record with the U.S. Securities and Exchange Commission (SEC) for the 12 months ended June 30 by August 31. The proxy voting record is available free of charge on the SEC website at sec.gov and on our website.

American Funds Developing World Growth and Income Fund files a complete list of its portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form NPORT-P. The list of portfolio holdings is available free of charge on the SEC website and on our website.

This report is for the information of shareholders of American Funds Developing World Growth and Income Fund, but it also may be used as sales literature when preceded or accompanied by the current prospectus or summary prospectus, which gives details about charges, expenses, investment objectives and operating policies of the fund. If used as sales material after September 30, 2023, this report must be accompanied by an American Funds statistical update for the most recently completed calendar quarter.

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

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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.

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Equity-focused funds have beaten their Lipper peer indexes in 90% of 10-year periods and 99% of 20-year periods.² Relative to their peers, our fixed income funds have helped investors achieve better diversification through attention to correlation between bonds and equities.³ Fund management fees have been among the lowest in the industry.⁴

¹Investment industry experience as of December 31, 2022.

²Based on Class F-2 share results for rolling monthly 10- and 20-year periods starting with the first 10- or 20-year period after each mutual fund's inception through December 31, 2022. Periods covered are the shorter of the fund's lifetime or since the comparable Lipper index inception date (except Capital Income Builder and SMALLCAP World Fund, for which the Lipper average was used). Expenses differ for each share class, so results will vary. Past results are not predictive of results in future periods.

³Based on Class F-2 share results as of December 31, 2022. Sixteen of the 18 fixed income American Funds that have been in existence for the three-year period showed a three-year correlation lower than their respective Morningstar peer group averages. S&P 500 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.

⁴On average, our mutual fund management fees were in the lowest quintile 62% of the time, based on the 20-year period ended December 31, 2022, versus comparable Lipper categories, excluding funds of funds.

Class F-2 shares were first offered on August 1, 2008. Class F-2 share results prior to the date of first sale are hypothetical based on the results of the original share class of the fund without a sales charge, adjusted for typical estimated expenses. Results for certain funds with an inception date after August 1, 2008, also include hypothetical returns because those funds' Class F-2 shares sold after the funds' date of first offering. Refer to capitalgroup.com for more information on specific expense adjustments and the actual dates of first sale.

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