CAPITAL GROUP℠

Capital International Emerging Markets Fund

Semi-annual Report 2017

For the six months ended 31 December 2017

Société d'Investissement à Capital Variable
organised under the laws of the Grand Duchy of Luxembourg
R.C.S. Luxembourg B 33347

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Capital International Emerging Markets Fund

Semi-annual Report for the six months ended 31 December 2017

Contents

Report of the Board of Directors of the Company to the shareholders 2
Summary information 3
Results 4
Historical data 5
Portfolio breakdown 6
Schedule of investments 7
Statement of net assets 13
Statement of operations and changes in net assets 14
Statement of changes in the number of shares outstanding 15
Notes to the financial statements 16
General information 22
Other information 23
Contact information 27

Report of the Board of Directors of the Company to the shareholders

For the six months ended 31 December 2017

Market review

Emerging market stocks outperformed the major indices in 2017, registering their strongest annual gain since 2009; the last six months of the year continued the first half of the year's positive performance. These consistent results were fuelled by stimulus measures in China, a weaker US dollar, and robust demand for technology-related components and services.

Investment review

Against this backdrop, Capital International Emerging Markets Fund gained 17.3%[1] during the period, outpacing the benchmark's 15.8%[2] rise.

The table on page 4 gives an overview of the fund's results in US dollars, the base currency of the fund. Results in other currencies can be found on our website, thecapitalgroup.com/emea.

Outlook

Emerging markets continue to rally, benefiting from low inflation, a synchronised global recovery, moderating dollar strength and healthy demand for technology-related companies and services. Economic growth rates in the developing world have varied by country but overall are still stronger than those in developed nations.

Furthermore, profits for emerging markets companies continue to improve, and in aggregate are forecast to register another year of double-digit growth. Historically, strong earnings have driven share prices in emerging markets. Valuations also remain attractive relative to most developed markets.

Potential risks on the horizon include the possibility of a slowdown in China, adverse changes to international trade agreements, and volatility that may arise from political elections next year in several developing countries such as Brazil and Mexico.

Dividends

Dividends relating to 2017 were declared on 30 June 2017, with a pay-date of 17 July 2017. Full details are available in note 4 to the financial statements.

Assets and cash flow

During the period, the fund's total net assets decreased to US$577.9 million, down from US$1.1 billion. This decrease was largely the result of net outflows of US$707.2 million.

Thank you for your investment and we look forward to reporting to you again in our annual report at the end of June 2018.

The Board of Directors of the Company
Capital International Emerging Markets Fund
Luxembourg, 21 February 2018

The figures stated in this report are historical and not representative of future results.

[1] The fund's results are shown net of fees in US dollars, share class C. Source: Capital Group
[2] MSCI Emerging Markets Investable Market Index in US dollars with net dividends reinvested. Source: MSCI

Summary information

As at 31 December 2017

Fund objective	To achieve risk diversification and long-term growth of capital by investing in companies based and/or which have substantial activities in developing countries.			
Key facts				
Launch date	31 May 1990			
Size	US$577.9m			
Index[1]	MSCI Emerging Markets Investable Market Index MSCI Emerging Markets Index			
Total expense ratio by share class[2]	A	1.34%	Qd	0.98%
	B	1.97%	T	2.22%
	Bd	1.97%	X	1.44%
	C	0.09%	Xd	1.47%
	I	0.92%	Z	1.03%
	Q	0.98%	Zd	1.03%

[1] Shown for indicative purposes only. The MSCI EM IMI index represents the full market cap range of stocks and the MSCI EM index represents only large and mid-cap stocks.
[2] The total expense ratio is made up of management fee, fund administration fee, depositary and custody fees and other costs such as professional services, foreign registration costs, printing and mailing costs and the Luxembourg "taxe d'abonnement". The total expense ratio does not include other investment related expenses, notably (but not limited to) taxes paid on investments and brokerage expenses. The total expense ratio is calculated in accordance with the applicable SFAMA guidelines.

Results

As at 31 December 2017

		Total returns %[1]			Annualised returns %[1]
			Calendar		
Share class	**Launch date[2]**	**6 months**	**2017**	**2016**	**Lifetime**
A	22 Jan 2008	16.6	40.3	9.2	9.2
B	30 Jun 1999	16.2	39.4	8.5	8.6
Bd	18 Feb 2008	16.2	39.4	8.6	8.6
C	24 Nov 2000	17.3	42.1	10.5	10.5
I	31 May 1990	16.9	40.9	9.7	9.7
Q	24 Nov 2000	16.8	40.8	9.6	9.7
Qd	20 Oct 2008	16.8	40.8	9.6	9.7
T	10 Jun 2010	16.1	39.1	8.3	8.3
X	8 Jan 2008	16.5	40.2	9.1	9.2
Xd	18 Feb 2008	16.5	40.1	9.1	9.2
Z	14 Jan 2014	16.8	40.8	9.5	9.4
Zd	19 Jul 2013	16.8	40.8	9.6	9.4
MSCI EM Investable Market Index[3]		15.8	36.8	9.9	8.6
MSCI EM Index[3]		15.9	37.3	11.2	8.6

Past results are no indication of future results.

Why do different share classes have different returns?

Each share class is designed to support the needs of different investor types and has a different total expense ratio that affects the investment returns for that share class. For example:

- Class A, C, I shares and their equivalent classes, where available, are only available to institutional investors who qualify for the reduced Luxembourg tax of 0.01% (rather than 0.05%).
- Class B, Q, T, X, Z shares and their equivalent classes, where available, are primarily designed for distribution to individual investors. The management fee for class B, T shares and their equivalent classes, where available, is higher than for the other share classes to allow for compensation to distributors and other intermediaries for day-to-day services to investors or similar services in relation to investments made with their assistance.
- The management fee for class C shares and its equivalent classes, where available, is charged to shareholders outside the fund by specific separate agreement. Actual returns to shareholders of class C and its equivalent classes, where available, will be lower than those published.

[1] Results are shown in USD with net dividends reinvested.
[2] Launch date is the date of which shares are first issued by the fund, and hence the date on which the fund or share class was first priced. Prior results back to the launch of the fund relate to the older share classes, adjusted where necessary to reflect the management fee of the recipient share class.
[3] Shown for indicative purposes only. The MSCI EM Investable Market Index represents the full market cap range of stocks and the MSCI EM Index represents only large- and mid-cap stocks.

Historical data

Net asset value per share and total net assets

	as at 31 December 2017	as at 30 June 2017	as at 30 June 2016
Class A	US$110.88	US$95.09	US$76.45
Class B	105.02	90.35	73.07
Class Bd	99.97	86.00	69.79
Class C	144.71	123.32	97.92
Class I	128.18	109.69	87.81
Class Q	127.01	108.73	87.07
Class Qd	113.54	97.99	79.48
Class T	103.06	88.77	71.97
Class X	110.37	94.72	76.21
Class Xd	100.74	86.78	70.42
Class Z	112.01	95.91	76.85
Class Zd	101.06	87.19	70.72
Total net assets (000s)	**US$577,931**	**US$1,132,979**	**US$1,380,265**

Portfolio breakdown

As at 31 December 2017

Industry Sector Allocation of Portfolio	% of Net Assets
Financials	25.26
Information technology	19.32
Consumer discretionary	12.86
Health care	6.67
Real estate	6.45
Industrials	6.01
Consumer staples	5.44
Materials	5.15
Telecommunication services	4.67
Utilities	1.44
Mutual fund	1.42
Energy	1.25
Total Investments	**95.94**
Cash and Other Assets/(Liabilities)	4.06
Total	**100.00**

Schedule of investments

Capital International Emerging Markets Fund
As at 31 December 2017

Investments	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing				
Equities				
Argentina				
Loma Negra Cia Industrial Argentina SA, ADR	USD	164,036	3,779,390	0.65
			3,779,390	0.65
Australia				
Newcrest Mining Ltd.	AUD	13,876	247,066	0.04
			247,066	0.04
Brazil				
Alliar Medicos A Frente SA	BRL	662,500	2,955,895	0.51
CCR SA	BRL	1,351,841	6,581,723	1.14
Cia Energetica de Minas Gerais	BRL	388,298	807,710	0.14
Cia Energetica de Minas Gerais Preference	BRL	1,518,600	3,145,152	0.54
Cielo SA	BRL	147,600	1,046,562	0.18
Hypermarcas SA	BRL	504,800	5,478,520	0.95
IRB Brasil Resseguros S/A	BRL	136,500	1,399,114	0.24
Lojas Americanas SA	BRL	331,700	1,312,960	0.23
Lojas Americanas SA Preference	BRL	333,300	1,713,173	0.30
Nexa Resources SA	USD	115,800	2,270,838	0.39
Odontoprev SA	BRL	86,000	412,487	0.07
Omega Geracao SA	BRL	203,200	1,072,021	0.18
Petroleo Brasileiro SA, ADR	USD	166,800	1,716,372	0.30
Petroleo Brasileiro SA, ADR Preference	USD	287,000	2,821,210	0.49
Vale SA, ADR	USD	178,087	2,178,004	0.38
Vale SA	BRL	327,993	3,980,886	0.69
			38,892,627	6.73
Canada				
First Quantum Minerals Ltd.	CAD	94,196	1,319,643	0.23
			1,319,643	0.23
Chile				
Enel Americas SA, ADR	USD	171,925	1,920,402	0.33
Enel Americas SA	CLP	2,958,171	658,691	0.11
Inversiones La Construccion SA	CLP	258,397	4,885,358	0.85
			7,464,451	1.29
China				
AAC Technologies Holdings, Inc.	HKD	42,500	758,302	0.13
Alibaba Group Holding Ltd., ADR	USD	131,700	22,709,031	3.93
China Everbright International Ltd.	HKD	527,000	752,775	0.13
China International Capital Corp. Ltd. 'H'	HKD	2,194,000	4,566,124	0.79
China Merchants Bank Co. Ltd. 'H'	HKD	889,000	3,538,773	0.61
China Overseas Grand Oceans Group Ltd.	HKD	296,000	162,153	0.03
China Overseas Land & Investment Ltd.	HKD	3,954,000	12,728,147	2.20
China Pacific Insurance Group Co. Ltd. 'H'	HKD	1,848,800	8,885,674	1.54
China Resources Land Ltd.	HKD	2,593,111	7,633,777	1.32
China Unicom Hong Kong Ltd.	HKD	674,000	910,991	0.16
Ctrip.com International Ltd., ADR	USD	49,300	2,174,130	0.38
Haitian International Holdings Ltd.	HKD	313,000	941,462	0.16
Hutchison China MediTech Ltd., ADR	USD	47,730	1,881,517	0.33

Capital International Emerging Markets Fund (continued)
As at 31 December 2017

Investments	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
Hutchison China MediTech Ltd.	GBP	16,100	1,217,295	0.21
IMAX China Holding, Inc.	HKD	634,200	1,899,471	0.33
Inner Mongolia Yili Industrial Group Co. Ltd. 'A'	CNY	1,036,600	5,124,102	0.89
JD.com, Inc., ADR	USD	5,950	246,449	0.04
Jiangsu Hengrui Medicine Co. Ltd. 'A'	CNY	864,461	9,157,021	1.58
Longfor Properties Co. Ltd.	HKD	3,507,000	8,788,990	1.52
Midea Group Co. Ltd. 'A'	CNY	248,100	2,111,822	0.36
NetEase, Inc., ADR	USD	4,100	1,414,787	0.24
Noah Holdings Ltd., ADR	USD	58,600	2,712,008	0.47
Ping An Insurance Group Co. of China Ltd. 'H'	HKD	873,000	9,089,967	1.57
Shanghai Fosun Pharmaceutical Group Co. Ltd. 'H'	HKD	1,303,000	8,363,843	1.45
Shanghai Pharmaceuticals Holding Co. Ltd. 'H'	HKD	998,200	2,702,206	0.47
Shenzhen Inovance Technology Co. Ltd. 'A'	CNY	514,282	2,291,840	0.40
Tencent Holdings Ltd.	HKD	272,600	14,165,842	2.45
Yum! China Holdings, Inc.	USD	31,500	1,260,630	0.22
			138,189,129	23.91
Denmark				
Carlsberg A/S 'B'	DKK	65,656	7,883,334	1.36
			7,883,334	1.36
France				
Edenred	EUR	11,572	335,731	0.06
			335,731	0.06
Hong Kong				
AIA Group Ltd.	HKD	1,778,800	15,174,619	2.62
Galaxy Entertainment Group Ltd.	HKD	696,000	5,585,567	0.97
Goodbaby International Holdings Ltd.	HKD	849,000	466,182	0.08
Jardine Matheson Holdings Ltd.	USD	12,412	754,029	0.13
MGM China Holdings Ltd.	HKD	739,600	2,238,817	0.39
Minth Group Ltd.	HKD	95,000	573,318	0.10
Sands China Ltd.	HKD	159,400	823,232	0.14
VTech Holdings Ltd.	HKD	65,400	857,173	0.15
Wynn Macau Ltd.	HKD	3,903,400	12,365,417	2.14
Xin Point Holdings Ltd.	HKD	3,491,000	2,234,140	0.39
			41,072,494	7.11
Hungary				
Wizz Air Holdings plc	GBP	31,881	1,584,024	0.27
			1,584,024	0.27
India				
Bharti Airtel Ltd.	INR	1,217,770	10,105,235	1.75
CRISIL Ltd.	INR	25,969	762,684	0.13
Godrej Consumer Products Ltd.	INR	251,662	3,940,677	0.68
HDFC Bank Ltd.[1]	INR	182,719	5,404,111	0.94
Housing Development Finance Corp. Ltd.	INR	339,090	9,086,672	1.57
ICICI Bank Ltd., ADR	USD	535,070	5,206,231	0.90
ICICI Bank Ltd.	INR	1,683,796	8,283,451	1.43
IDFC Bank Ltd.	INR	847,307	720,166	0.12
IndusInd Bank Ltd.	INR	232,049	5,994,682	1.04
Info Edge India Ltd.	INR	108,943	2,373,525	0.41
ITC Ltd.	INR	172,376	710,947	0.12

Capital International Emerging Markets Fund (continued)
As at 31 December 2017

Investments	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
Kotak Mahindra Bank Ltd.	INR	116,730	1,847,490	0.32
Maruti Suzuki India Ltd.	INR	11,053	1,684,865	0.29
Nestle India Ltd.	INR	7,812	963,338	0.17
Piramal Enterprises Ltd.	INR	36,981	1,661,255	0.29
Steel Authority of India Ltd.	INR	920,636	1,329,154	0.23
TeamLease Services Ltd.	INR	61,777	2,360,597	0.41
Torrent Power Ltd.	INR	177,574	788,028	0.14
			63,223,108	10.94
Indonesia				
Astra International Tbk. PT	IDR	9,985,600	6,108,751	1.06
Bank Central Asia Tbk. PT	IDR	2,477,354	3,998,825	0.69
Bank Mandiri Persero Tbk. PT	IDR	4,896,480	2,887,182	0.50
Bank Rakyat Indonesia Persero Tbk. PT	IDR	11,424,365	3,065,022	0.53
Elang Mahkota Teknologi Tbk. PT	IDR	1,574,200	1,102,259	0.19
Matahari Department Store Tbk. PT	IDR	4,513,600	3,326,773	0.58
Surya Citra Media Tbk. PT	IDR	19,027,100	3,477,959	0.60
			23,966,771	4.15
Italy				
Tenaris SA, ADR	USD	16,200	516,132	0.09
			516,132	0.09
Malaysia				
Bumi Armada Bhd.	MYR	2,719,848	514,130	0.09
IHH Healthcare Bhd.	MYR	629,600	911,652	0.16
IJM Corp. Bhd.	MYR	921,874	694,765	0.12
			2,120,547	0.37
Mexico				
America Movil SAB de CV, ADR 'L'	USD	566,600	9,717,190	1.68
Banco del Bajio SA	MXN	648,000	1,186,421	0.21
Cemex SAB de CV, ADR	USD	132,821	996,158	0.17
Controladora Vuela Cia de Aviacion SAB de CV 'A'	MXN	206,000	164,800	0.03
Fibra Uno Administracion SA de CV, REIT	MXN	272,307	403,561	0.07
Fomento Economico Mexicano SAB de CV	MXN	90,400	850,323	0.15
Grupo Financiero Inbursa SAB de CV 'O'	MXN	606,800	991,248	0.17
			14,309,701	2.48
Norway				
Borr Drilling Ltd.	NOK	43,865	184,850	0.03
BW LPG Ltd.	NOK	113,657	534,883	0.09
			719,733	0.12
Peru				
Credicorp Ltd.	USD	39,700	8,234,971	1.43
			8,234,971	1.43
Philippines				
Bank of the Philippine Islands	PHP	1,488,910	3,224,182	0.56
International Container Terminal Services, Inc.	PHP	2,488,307	5,258,742	0.91
SM Investments Corp.	PHP	135,159	2,680,437	0.46
Universal Robina Corp.	PHP	569,700	1,723,251	0.30
			12,886,612	2.23

Capital International Emerging Markets Fund (continued)
As at 31 December 2017

Investments	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
Russian Federation				
Aeroflot PJSC	USD	845,146	2,030,550	0.35
Alrosa PJSC	USD	3,756,244	4,892,732	0.85
Globaltrans Investment plc, GDR	USD	29,559	277,559	0.05
Magnit PJSC, GDR	USD	3,672	100,429	0.02
Magnit PJSC	USD	2,644	290,897	0.05
MegaFon PJSC, GDR	USD	55,800	516,150	0.09
MegaFon PJSC	USD	10,000	89,007	0.01
Moscow Exchange MICEX-RTS PJSC	USD	1,873,898	3,543,578	0.61
Polyus PJSC	USD	9,830	783,841	0.14
Sberbank of Russia PJSC, ADR	USD	315,000	5,332,950	0.92
Sberbank of Russia PJSC	USD	738,384	2,885,624	0.50
Sistema PJSC FC	USD	1,001,691	210,160	0.04
TCS Group Holding plc, GDR	USD	127,000	2,393,950	0.41
Yandex NV 'A'	USD	84,751	2,775,595	0.48
			26,123,022	4.52
Saudi Arabia				
Al Rajhi Bank	SAR	19,700	338,498	0.06
Savola Group (The)	SAR	466,600	4,897,042	0.85
			5,235,540	0.91
Singapore				
Yoma Strategic Holdings Ltd.	SGD	12,995,843	5,247,116	0.91
			5,247,116	0.91
South Africa				
AngloGold Ashanti Ltd.	ZAR	25,988	270,162	0.05
Barclays Africa Group Ltd.	ZAR	249,495	3,669,880	0.63
Discovery Ltd.	ZAR	505,561	7,600,270	1.31
JSE Ltd.	ZAR	174,349	2,167,860	0.38
Mr Price Group Ltd.	ZAR	64,024	1,267,129	0.22
MTN Group Ltd.	ZAR	390,447	4,310,775	0.75
Naspers Ltd. 'N'	ZAR	44,332	12,365,305	2.14
Shoprite Holdings Ltd.	ZAR	182,088	3,255,288	0.56
Telkom SA SOC Ltd.	ZAR	288,576	1,122,350	0.19
			36,029,019	6.23
South Korea				
Amorepacific Corp.	KRW	613	174,358	0.03
Hankook Tire Co. Ltd.	KRW	17,667	901,049	0.16
Hyundai Motor Co.	KRW	21,616	3,149,872	0.55
NAVER Corp.	KRW	379	308,001	0.05
POSCO	KRW	3,981	1,236,451	0.21
Samsung Electronics Co. Ltd. Preference	KRW	252	491,971	0.09
Samsung Electronics Co. Ltd.	KRW	10,123	24,093,600	4.17
Shinhan Financial Group Co. Ltd.	KRW	56,860	2,623,777	0.45
			32,979,079	5.71
Taiwan				
Airtac International Group	TWD	123,721	2,224,263	0.39
Catcher Technology Co. Ltd.	TWD	196,000	2,160,324	0.38
CTCI Corp.	TWD	1,193,177	1,810,304	0.31
Delta Electronics, Inc.	TWD	39,371	189,853	0.03

Capital International Emerging Markets Fund (continued)
As at 31 December 2017

Investments	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
E.Sun Financial Holding Co. Ltd.	TWD	384,522	244,215	0.04
Ginko International Co. Ltd.	TWD	95,000	692,743	0.12
MediaTek, Inc.	TWD	593,000	5,858,562	1.02
Taiwan Semiconductor Manufacturing Co. Ltd.	TWD	2,633,009	20,305,982	3.51
Vanguard International Semiconductor Corp.	TWD	449,000	995,816	0.17
			34,482,062	5.97
Thailand				
Bangkok Bank PCL, NVDR	THB	446,330	2,752,756	0.48
Central Pattana PCL	THB	886,600	2,319,198	0.40
			5,071,954	0.88
Turkey				
Akbank Turk A/S	TRY	531,619	1,381,466	0.24
Tupras Turkiye Petrol Rafinerileri A/S	TRY	7,714	247,263	0.04
			1,628,729	0.28
United Arab Emirates				
DP World Ltd.	USD	104,690	2,617,250	0.45
			2,617,250	0.45
United Kingdom				
British American Tobacco plc	GBP	4,800	325,202	0.06
Lonmin plc	GBP	120,585	135,945	0.02
PZ Cussons plc	GBP	271,266	1,184,818	0.20
			1,645,965	0.28
United States of America				
Ensco plc 'A'	USD	124,500	735,795	0.12
MercadoLibre, Inc.	USD	35,400	11,138,964	1.93
Samsonite International SA	HKD	1,257,800	5,779,584	1.00
			17,654,343	3.05
Total Equities			**535,459,543**	**92.65**
Total Transferable securities and money market instruments admitted to an official exchange listing			**535,459,543**	**92.65**
Transferable securities and money market instruments dealt in on another regulated market				
Convertible Bonds				
India				
Piramal Enterprises Ltd. 7.8% 26/04/2019[1]	INR	125,000	2,197,771	0.38
			2,197,771	0.38
Total Convertible Bonds			2,197,771	0.38
Equities				
Brazil				
Estre Ambiental SA[1]	USD	166,920	1,413,345	0.24
			1,413,345	0.24
Total Equities			**1,413,345**	**0.24**
Total Transferable securities and money market instruments dealt in on another regulated market			**3,611,116**	**0.62**

Capital International Emerging Markets Fund (continued)
As at 31 December 2017

Investments	Currency	Quantity/ Nominal Value	Market Value USD	% of Net Assets
Other transferable securities and money market instruments				
Convertible Bonds				
China				
FU JI Food and Catering Services Holdings Ltd. 0% 18/10/2010[1,2]	CNY	41,500,000	–	–
			–	–
Total Convertible Bonds			–	–
Equities				
Netherlands				
International Hospital Corp.[1,4]	USD	565,209	373,038	0.07
International Hospital Corp. Preference 'B'[1,4]	USD	709,580	468,323	0.08
			841,361	0.15
United Kingdom				
Sedibelo Platinum[1]	CAD	8,256,400	6,380,483	1.10
			6,380,483	1.10
Total Equities			**7,221,844**	**1.25**
Total Other transferable securities and money market instruments			**7,221,844**	**1.25**
Units of authorised UCITS or other collective investment undertakings				
Collective Investment Schemes - AIF				
Russian Federation				
Baring Vostok Private Equity Fund IV[1,5]	USD	11,096,066	6,878,451	1.19
New Century Cappartnership[1,5]	USD	749,700	43,708	0.01
			6,922,159	1.20
United States of America				
Capital International - Private Equity Fund V[1,3,5]	USD	27,624,646	1,276,258	0.22
			1,276,258	0.22
Total Collective Investment Schemes - AIF			**8,198,417**	**1.42**
Total Units of authorised UCITS or other collective investment undertakings			**8,198,417**	**1.42**
Total Investments			**554,490,920**	**95.94**
Cash			**24,668,997**	**4.27**
Other Assets/(Liabilities)			**(1,229,309)**	**(0.21)**
Total Net Assets			**577,930,608**	**100.00**

The accompanying notes form an integral part of these financial statements.

1 Security is valued at its fair value under the direction of the Board of Directors of the Company.
2 Security is currently in default.
3 Managed by an affiliate of the Investment Advisers.
4 Purchased in a private placement transaction. Resale may be limited to qualified institutional buyers.
5 Purchased in a private equity fund transaction (please see note 2f to the financial statements).

Statement of net assets

As at 31 December 2017

Assets	
Investments at market value (note 2b)	US$554,490,920
Cash at bank	24,668,997
Dividend and interest receivable (net of withholding taxes) (notes 2d, 5b)	426,962
Receivable for investments sold	858,676
Prepaid expenses and other receivables	512,629
Receivable for fund shares subscribed	1,133
Total assets	**580,959,317**
Liabilities	
Payable for investments purchased	1,216,772
Accrued expenses and other payables	810,514
Payable on closed forward currency exchange contracts	625,123
Management fee payable (note 3a)	290,025
Payable for fund shares redeemed	86,275
Total liabilities	**3,028,709**
Total net assets	**US$577,930,608**
Investment securities at cost	**US$434,254,764**

The accompanying notes form an integral part of these financial statements.

Statement of operations and changes in net assets

For the period ended 31 December 2017

Income (note 2d)	
Dividend income (net of withholding taxes) (note 5b)	US$6,831,353
Interest on bonds and convertible bonds (net of withholding taxes) (note 5b)	165,085
Interest on bank accounts	18,598
	7,015,036
Expenses	
Management fee (note 3a)	1,850,189
Administrative Manager services (note 3b)	260,817
Professional services	256,725
Depositary and custody (note 3b)	247,093
Other	124,718
Taxe d'abonnement (note 5a)	34,260
Printing and publishing	23,190
	2,796,992
Reimbursement of expenses (note 3d)	462,849
Net investment income/(loss) for the period (a)	**4,680,893**
Net realised gain/(loss) on:	
Sale of investments (notes 2e, 5b)	186,148,406
Foreign currency transactions (note 2c)	(748,460)
Net realised profit/(loss) for the period (b)	**185,399,946**
Net change in unrealised appreciation/(depreciation) on:	
Investments	(38,273,266)
Foreign currency transactions (note 2c)	423,299
Net change in unrealised appreciation/(depreciation) for the period (c)	**(37,849,967)**
Result of operations for the period (a+b+c)	**152,230,872**
Dividend distribution (note 4)	**(55,341)**
Net subscriptions/(redemptions) of shares for the period	(707,223,617)
Total net assets at the beginning of the period	1,132,978,694
Total net assets at the end of the period	**US$577,930,608**

The accompanying notes form an integral part of these financial statements.

Statement of changes in the number of shares outstanding

For the period ended 31 December 2017

Class A	
Shares outstanding at the beginning of the period	37,885
Shares subscribed	82
Shares redeemed	–
Shares outstanding at the end of the period	**37,967**

Class B	
Shares outstanding at the beginning of the period	35,768
Shares subscribed	40
Shares redeemed	(6,907)
Shares outstanding at the end of the period	**28,901**

Class Bd	
Shares outstanding at the beginning of the period	2,302
Shares subscribed	12
Shares redeemed	–
Shares outstanding at the end of the period	**2,314**

Class C	
Shares outstanding at the beginning of the period	5,764,213
Shares subscribed	1,003
Shares redeemed	(4,743,862)
Shares outstanding at the end of the period	**1,021,354**

Class I	
Shares outstanding at the beginning of the period	3,065,148
Shares subscribed	–
Shares redeemed	(482,396)
Shares outstanding at the end of the period	**2,582,752**

Class Q	
Shares outstanding at the beginning of the period	640,279
Shares subscribed	326
Shares redeemed	(1,930)
Shares outstanding at the end of the period	**638,675**

Class Qd	
Shares outstanding at the beginning of the period	64,353
Shares subscribed	511
Shares redeemed	–
Shares outstanding at the end of the period	**64,864**

Class T	
Shares outstanding at the beginning of the period	2,507
Shares subscribed	543
Shares redeemed	(572)
Shares outstanding at the end of the period	**2,478**

Class X	
Shares outstanding at the beginning of the period	654
Shares subscribed	57
Shares redeemed	–
Shares outstanding at the end of the period	**711**

Class Xd	
Shares outstanding at the beginning of the period	762
Shares subscribed	–
Shares redeemed	(96)
Shares outstanding at the end of the period	**666**

Class Z	
Shares outstanding at the beginning of the period	21,955
Shares subscribed	1,531
Shares redeemed	–
Shares outstanding at the end of the period	**23,486**

Class Zd	
Shares outstanding at the beginning of the period	5,543
Shares subscribed	9
Shares redeemed	(4,866)
Shares outstanding at the end of the period	**686**

Total shares outstanding at the end of the period	**4,404,854**

Notes to the financial statements

As at 31 December 2017

1) Capital International Emerging Markets Fund (CIEMF)

a. Legal structure

CIEMF is an investment company (the "Company") organised as a Société d'Investissement à Capital Variable (SICAV) in the Grand Duchy of Luxembourg and is established as an undertaking for collective investment in transferable securities (UCITS) under Part I of the amended law of 17 December 2010. CIEMF has been converted from a self-managed SICAV into a SICAV managed by a management company, namely Capital International Management Company, Sàrl (the "Management Company"), on 1 February 2013. CIEMF was incorporated on 22 March 1990 for an indefinite year and commenced operations on 31 May 1990.

b. Share classes and currencies

Shares of the fund may be divided into class A, A4, B, C, I, Q, T, X, Z shares. In addition, some classes of the fund may be further broken down into equivalent classes.

The fund publishes net asset values (NAVs) and offers dealing and reporting in various payment currencies. A detailed list of all active share classes as at 31 December 2017 is disclosed on page 4. Furthermore, the list of all active share classes, available payment currencies and other details can be found online on the Management Company's webpage at thecapitalgroup.com/emea.

c. Dividend policy

- Classes A, A4, B, C, I, Q, T, X and Z: it is not at present intended that dividends be distributed to shareholders of these classes.
- Dividend-distributing equivalent classes: the Board of Directors of the Company intends to recommend that dividends be distributed to shareholders of all dividend-distributing equivalent classes.

  The dividend will generally represent all of the net investment income (i.e., investment income net of withholding taxes less expenses) of such class. A given class may not actually pay a dividend in any given accounting period if it has no or no significant net investment income.

  Details of actual distributions from this period can be found in note 4 to the financial statements.

d. Accounting year

The accounting year of CIEMF begins on 1 July and terminates on 30 June in each year.

2) Significant accounting policies

a. General

These financial statements are prepared in accordance with Luxembourg laws, regulations and practices relating to investment funds.

b. Valuation of investments

i. Except as otherwise provided in (v) below, securities which are listed on an official stock exchange or traded on any other regulated market are valued at the relevant valuation date's closing price on the principal market on which they are traded as published by such market or furnished by a pricing service approved by the Board of Directors of the Company; and other securities are valued at prices furnished by, or yield equivalents obtained from, one or more dealers or such pricing service.

ii. Securities issued by UCITS or UCIs will be valued at their last available net asset value (NAV) on the relevant valuation date; they may be valued in accordance with item (i) above, where such securities are listed.

iii. Money market instruments will be valued at nominal value plus any accrued interest or using an amortised cost method, provided that this method of calculation ensures that such assets will be valued at their fair value as determined in good faith pursuant to the procedure established by the Board of Directors of the Company.
iv. The liquidating value of OTC derivatives shall be determined based on information provided by pricing services approved by the Board of Directors of the Company.
v. If a price representative of a security's fair value is not readily available from the pricing sources described under (i) through (iv) above, or if the accuracy of a portfolio's valuation, as established pursuant to (i) above, is materially affected by events that occur prior to the NAV being calculated, the relevant security or securities will be valued at their fair value, as determined by or under the direction of the Board of Directors of the Company. Use of such fair valuation procedures is intended to result in more representative NAVs and to eliminate or substantially reduce potential arbitrage opportunities at the expense of the shareholders that might otherwise be available to short-term investors.

c. Foreign currencies

Assets and liabilities in currencies other than US dollars have been translated into US dollars at the prevailing exchange rates as at 31 December 2017. Transactions during the period in currencies other than US dollars have been translated at rates prevailing at the time of the transaction. The variation of the net unrealised exchange gains or losses on open forward currency exchange contracts and on other assets and liabilities between 30 June 2017 and 31 December 2017 is disclosed in "net change in unrealised appreciation/(depreciation) on foreign currency transactions". The net realised gains or losses on exchange, including on forward currency exchange contracts closed during the period are disclosed in "net realised gain/(loss) on foreign currency transactions".

d. Income

Dividends are taken into income on the date upon which the relevant securities are first listed as ex-dividend. Interest income is accrued on a daily basis.

Premiums and discounts on convertible bonds, sinkable bonds, sinkable-callable bonds, index-linked assets, inflation linked assets, dirty priced bonds and unitised bonds are amortised using an effective interest rate (EIR) methodology. Premiums and discounts on all other fixed income securities are amortised on a straight-line basis.

e. Realised gain or loss on sale of investments

The realised gain or loss on sale equities is determined on the average cost basis and methodology of calculating gains or losses on disposal of fixed income securities is first-in-first-out (FIFO).

f. Unfunded capital commitments

Unfunded capital commitments represent agreements which obligate the fund to meet capital calls in the future. Payment would be made when a capital call is requested. Capital calls can only be made if and when certain requirements have been fulfilled; thus, the timing and the amount of such capital calls cannot readily be determined. Unfunded capital commitments are recorded when capital calls are requested. As of 31 December 2017, unfunded capital commitments were US$5,188,317.

g. Swing pricing adjustment

The Company may suffer dilution of the net asset value as a result of large subscriptions, redemptions or switches. Such dilution would arise from shareholders buying or selling shares at a net asset value which would not accurately reflect the dealing and other costs incurred when securities are traded to accommodate cash inflows or outflows. In order to counter such dilution impact, the Company adopts a swing pricing mechanism as part of its valuation policy. If on any valuation date, the net aggregate amount of subscriptions or redemptions in shares of the Company exceeds a pre-determined threshold expressed as a percentage of the net asset value of the Company, the net asset value may be adjusted upwards or downwards to reflect the costs attributable to the underlying trade in securities undertaken by the Investment Advisers to accommodate inflows or outflows as the case may be.

Any swing pricing adjustment to such net asset value will be applied systematically and consistently based on predefined factors. The price adjustment will normally not exceed 2% of the original net asset value. The Company may decide to suspend the application of any swing pricing adjustment to the net asset value of the Company or increase this price adjustment limit in exceptional circumstances to protect the interests of shareholders. Such price adjustment is available on the Management Company's webpage at thecapitalgroup.com/emea concomitantly with the publication of the relevant net asset value. The Company, relying on the Management Company and its Conducting Officers' ongoing review, will reassess on a periodic basis the price adjustment factors to reflect an approximation of current dealing and other costs.

CIEMF has not adjusted the net asset value per share at period end.

3) Fees and expenses

a. Management fee

CIEMF pays the management fee at the annual rates specified below. This fee is used by CIEMF to compensate the Management Company which can in turn use it to compensate the Investment Advisers for their investment advisory services and the distributors and other intermediaries, as applicable, for services to investors or similar services in relation to investments made with their assistance.

Share class	Management fee
A, X and equivalent classes	1.25%
A4	0.90%
B and equivalent classes	1.75%
C and equivalent classes[1]	–
I, Q and equivalent classes[2]	0.80%
T	2.00%
Z and equivalent classes	0.875%

[1] Investments in shares of class C and equivalent classes may only be made by investors having entered into a separate agreement with respect to management fee.
[2] Classes I, Q and equivalent classes: CIEMF pays the management fee at the effective rate resulting from the application of the following scale, rounded to 5 decimal places:
0.90% of the first USD 400,000,000 of the total net assets of CIEMF (the "TNA");
0.80% of the TNA between USD 400,000,001 and USD 1,000,000,000;
0.70% of the TNA between USD 1,000,000,001 and USD 2,000,000,000;
0.65% of the TNA between USD 2,000,000,001 and USD 4,000,000,000;
0.625% of the TNA between USD 4,000,000,001 and USD 6,000,000,000;
0.60% of the TNA between USD 6,000,000,001 and USD 8,000,000,000; and
0.58% of the TNA in excess of USD 8,000,000,000.

b. Depositary fee, custody fee and fund administration fee

The Company has appointed J.P. Morgan Bank Luxembourg S.A. as Depositary, Custodian and Administrative Manager. The depositary, custody and fund administration effective fees may vary with the total assets of the fund and, for the custody fee, with the country breakdown in the portfolio.

CIEMF paid fund administration, depositary and custody fees at the approximate effective annual rates specified below. Rates are calculated based on the average net assets during the period:

	Depositary and custody fees	Fund Administration fee
Capital International Emerging Markets Fund	0.05%	0.05%

c. Related party transactions

Professional services in the statement of operations and changes in net assets include an amount of US$110,485 charged by the Management Company for administrative services rendered during the period under review.

CIEMF invests in other funds for which the Investment Advisers or one of their Affiliates act as Investment Adviser, as identified in the schedule of investments. Terms and conditions of these investments, which must be made in the best interest of CIEMF and its shareholders, are reviewed under the Board of Directors, the portion of the assets of CIEMF invested in such other funds is not subject to any double charge of management fee. In addition, CIEMF does not pay any subscription or redemption fees in relation to these investments.

d. Reimbursement of expenses

Each share class is designed to support the needs of different investor types and has a different total expense ratio that affects the returns to shareholders. The CIEMF prospectus, available on the Management Company's webpage at thecapitalgroup.com/emea, explains further the differences between share classes.

The Management Company established a reimbursement threshold so that the fund's total expense ratio (excluding management fee) did not exceed 0.09% per annum for A, C, I and equivalent classes and 0.15% per annum for class Q, Z and equivalent classes.

As a result, for the period ended 31 December 2017, the total amount of the reimbursement accrued daily in the fund and to be paid by the Management Company was US$462,849.

The reimbursement policy may be changed or withdrawn at any time at the sole discretion of the Management Company.

e. Other expenses

Other expenses which include Depositary Receipts service fees are US$72,365. These fees, charged by the sponsored banks, are for Depositary Receipts held in CIEMF.

4) Dividend distribution

Details on the dividend policy can be found under note 1c to the financial statements.

The following dividends were distributed during the period ended 31 December 2017.

	Dividend per share (in USD)
	Ex-date 3 July 2017 Pay-date 17 July 2017
Class Bd	–
Class Qd	0.7991
Class Xd	0.3312
Class Zd	0.6610

5) Taxation

a. Taxe d'abonnement

In Luxembourg, CIEMF is subject only to a tax ("taxe d'abonnement") at the annual rate of 0.05% of the total net assets of each share class. However, as provided by the relevant Luxembourg laws in respect of share classes wholly held by institutional investors, a reduced rate of 0.01% per annum was applied in respect of class A, A4, C, I and equivalent share classes, where available, for the period ended 31 December 2017. It should be noted that there can be no guarantee that the benefit of such reduced rate will not be denied or that, once obtained, it will continue to be available in the future. Such tax is accrued daily, payable quarterly and calculated on the total net asset value (NAV) of each share class at the end of the relevant quarter.

b. Foreign taxes

Capital gains and income on securities may be subject to respectively capital gain taxes and withholding taxes. CIEMF is not expected to recover such taxes in full, but may have the possibility to reclaim a portion of the withholding taxes in accordance with the tax relief provided for in the double tax treaties in place between Luxembourg and some foreign countries.

It is CIEMF's policy to accrue for withholding taxes and any other significant liability for foreign capital gain taxes.

Under certain circumstances, CIEMF may file claims with the tax authorities of some foreign countries, when the tax treatment it has been subject to could be considered as contestable or discriminatory. The nature of these claims is complex and subject to each jurisdiction's local procedural rules and case law. In such cases, in view of the uncertainty of success, and in accordance with the accounting principle of prudence applied in Luxembourg, CIEMF does not accrue for the potential tax refund. When a claim is successful, any withholding tax or capital gain tax reimbursement is only recognised as "other income" or "net realised gain on sale of investments" respectively upon notification of the final judgment.

For the period ended 31 December 2017, a refund with interest of USD 244,960 (INR 15,766,260) related to Indian capital gain taxes reclaim was received by the fund.

6) Forward currency exchange contracts

In order to achieve the most appropriate currency distribution, the fund enters into forward currency exchange contracts aiming to reduce the risk of the depreciation in the value of specific currencies. The fund does not intend to systematically hedge currency exposures back to any currency.

Forward currency exchange contracts are valued on the basis of forward currency exchange rates prevailing on the relevant reporting date and the resulting net change in unrealised gain or loss is included in the statement of operations and changes in net assets.

7) Calculation method of the risk exposure

The methodology used by the fund in order to calculate the global exposure resulting from the use of financial derivative instruments is the commitment approach in accordance with the CSSF Circular 11/512.

8) Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect

The Company may invest via the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively "Stock Connects") into China A-shares on an ancillary basis. The Shanghai-Hong Kong Stock Connect is a securities trading and clearing linked program developed by Hong Kong Exchanges and Clearing Limited ("HKEx"), Shanghai Stock Exchange ("SSE") and China Securities Depository and Clearing Corporation Limited ("ChinaClear") and the Shenzhen-Hong Kong Stock Connect is a securities trading and clearing linked program developed by HKEx, Shenzhen Stock Exchange ("SZSE") and ChinaClear, both aiming to achieve mutual stock market access between the People's Republic of China ("PRC") and Hong Kong. Hong Kong Securities Clearing Company Limited (HKSCC), a wholly-owned subsidiary of HKEx, and ChinaClear will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and/or investors.

The Shanghai-Hong Kong Stock Connect comprises a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shanghai Trading Link, Hong Kong and overseas investors, through their Hong Kong brokers and a securities trading service company established by the Hong Kong Stock Exchange ("SEHK"), may be able to trade eligible China A Shares listed on the SSE by routing orders to SSE. Under the Southbound Hong Kong Trading Link under Shanghai-Hong Kong Stock Connect, investors in the PRC will be able to trade certain stocks listed on the SEHK. Under a joint announcement issued by the SFC and China Securities Regulatory Commission ("CSRC") on 10 November 2014 the Shanghai-Hong Kong Stock Connect commenced trading on 17 November 2014.

The trading is subject to rules and regulations issued from time to time. Trading under the Shanghai-Hong Kong Stock Connect is subject to a daily quota ("Daily Quota"). Northbound Shanghai Trading Link and Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect will be subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Stock Connect each day.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors, through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible China A Shares listed on the SZSE by routing orders to SZSE. Under the Southbound Hong Kong Trading Link under Shenzhen-Hong Kong Stock Connect investors in the PRC will be able to trade certain stocks listed on the SEHK. The Shenzhen-Hong Kong Stock Connect was launched in December 2016.

The trading is subject to rules and regulations issued from time to time. Trading under the Shenzhen-Hong Kong Stock Connect is subject to a Daily Quota. Northbound Shenzhen Trading Link and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect will be subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Shenzhen-Hong Kong Stock Connect each day.

General information

Annual General Meeting

The Annual General Meeting of the shareholders of CIEMF is held at the registered office of CIEMF in Luxembourg on the last Thursday of October in each year at 2:00 pm or, if such day is not a Luxembourg business day, on the next business day. Notices of all general meetings are sent to shareholders at their addresses in the register of shareholders by post at least eight days prior to the meeting.

Information available to investors

The Prospectus, Key Investor Information Document (KIID), Articles of Incorporation, audited Annual Report, unaudited Semi-annual Report and a Statement of changes in the investment portfolio for the fund for the period ended 31 December 2017 are made available free of charge at the registered office of CIEMF or at the authorised representatives of CIEMF in various jurisdictions in accordance with Luxembourg law and with the laws of all relevant jurisdictions – see Authorised Agents and Country Paying Agents on pages 23 and 24. In addition, for investors in the Federal Republic of Germany, the above documents may be obtained free of charge in paper form from the German paying and information agent.

The net asset value per share can be obtained from the registered office of CIEMF. In addition, information about the fund is available on the Management Company's webpage at thecapitalgroup.com/emea.

The Investment Advisers disclosure

The Investment Advisers and Affiliates (the "Affiliates") will place trades with brokers who provide certain brokerage and/or investment research services to the Affiliates, but only when in the Affiliates judgement the broker is capable of providing best execution for that transaction. For the period ended 31 December 2017, there were no transactions through connected brokers and hence no commissions were paid to connected brokers since none of the Affiliates operate any brokerage activity. These services permit the Affiliates to supplement their own research and analysis, which contributes to the efficient management of investment portfolios by Affiliates for the benefit of investors. Although Affiliates may enter into arrangements with brokers with the expectation that these services will be provided, Affiliates do not incur any obligation with any broker to pay for research by generating trading commissions. Affiliates also pay cash for certain third-party research they receive. In addition, Affiliates' employees are governed by a global Code of Ethics, which includes rigorous personal investing and gifts and entertainment policies. Affiliates may also provide the Company with other services to support its business development, including, but not limited to, product development, fund registration and any other similar support as may be required, for which they receive a reasonable compensation.

Other information

Registered Office
6C, route de Trèves
L-2633 Senningerberg

Board of Directors of the Company

Luis Freitas de Oliveira (Chairman)
Capital International Sàrl
Geneva, Switzerland

Joanna Jonsson (Vice Chairman)
Capital Research Company
Los Angeles, USA

Thomas Høgh
Capital Research Company
London, United Kingdom

Mark Brubaker
Capital Research and Management Company
Los Angeles, USA

Maurizio Lualdi
Capital Research Company
London, United Kingdom

Michael Thawley
(from 26 October 2017)
Capital Strategy Research, Inc.
Los Angeles, USA

Management Company
Capital International Management Company Sàrl
37A, avenue John F. Kennedy
L-1855 Luxembourg
R.C.S. Luxembourg B 41479

Depositary, Custodian, Paying Agent and Administrative Manager of the Company
J.P. Morgan Bank Luxembourg S.A.
6C, route de Trèves
L-2633 Senningerberg

Auditor of the Company
PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator
BP 1443
L-1014 Luxembourg

Investment Advisers of the Company
Capital International, Inc.
11100 Santa Monica Boulevard
15th floor
Los Angeles, CA 90025-3384, USA

Capital International Sàrl
3, place des Bergues
CH-1201 Geneva
Switzerland

Legal Adviser
Linklaters LLP
35, avenue John F. Kennedy
L-1855 Luxembourg

Authorised Agents and Country Paying Agents

Representative
in Switzerland
Capital International Sàrl
3, place des Bergues
CH-1201 Geneva

Paying Agent
in Switzerland
J.P. Morgan (Suisse) S.A.
8, rue de la Confédération
CH-1204 Geneva

Paying and Information Agent
in Austria
UniCredit Bank Austria A.G.
Schottengasse 6-8
A-1010 Wien

Paying Agent
in Belgium
J.P. Morgan Europe Limited, Brussels Branch I
1, Boulevard du Roi Albert II
B-1210 Brussels

Paying Agent
in Denmark
BankNordik
Amagerbrogade 25
DK-2300 København S

Centralising and Financial Agent
in France
BNP Paribas Securities Services
3, rue d'Antin
F-75002 Paris

Paying and Information Agent
in Germany
J.P. Morgan Bank A.G.
TaunusTurm
Taunustor 1
D-60310 Frankfurt am Main

Paying Agent
in Ireland
J.P. Morgan Administration Services (Ireland) Limited
J.P. Morgan House
International Financial Services Centre
IE-Dublin 1

Paying Agents
in Italy
Societe Generale Securities Services S.p.A. (SGSS S.p.A.)
Via Benigno Crespi 19/A
MAC 2
I-20159 Milano

BNP Paribas Securities Services, filiale di Milano
Via Ansperto, 5
I-20123 Milano

Allfunds Bank, S.A. Branch in Milan
Via Bocchetto, 6
I-20123 Milano

Banca Sella
Holding S.p.A.
Piazza Gaudenzio Sella, 1
I-13900 Biella

Paying Agent
in Spain
Allfunds Bank, S.A.
c/ Estafeta nº6 (La Moraleja)
Complejo Plaza de la Fuente
-Edificio 3-
E-28109, Alcobendas - Madrid

Representative Agent
in Sweden
Nordea Bank AB
Smålandsgatan 17
SE-105 71 Stockholm

Remuneration related information

The Management Company ("Capital International Management Company") has implemented a Remuneration Policy that is designed as not to encourage taking excessive risks.

The details of the up-to-date Management Company remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on the website https://server.capgroup.com/capgroup/Content/GIG/Europe/pdf/remuneration_policy.pdf.
A paper copy of the remuneration policy will be made available free of charge upon request.

As per UCITS V Directive as regards depositary functions, remuneration policies and sanctions, it is confirmed that

- the remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS that the management company manages;
- the remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the UCITS that it manages and of the Shareholders in such UCITS, and includes measures to avoid conflicts of interest;
- the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the Shareholders of the UCITS managed by the management company in order to ensure that the assessment process is based on the longer-term performance of the UCITS and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
- fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

The Management Company paid a total of EUR 1.4m in fixed remuneration to 9 beneficiaries during the period ending 31 December 2017. Fixed remuneration consists of salaries paid, pension contributions and other benefits such as health insurance.

With respect to variable remuneration, the UCITS remuneration guidelines issued by ESMA pursuant to Article 14a(4) of Directive 2009/65/EC ("UCITS Directive"), as amended by Directive 2014/91/EU ("UCITS V Directive"), apply to the first full performance period starting on or after 1 January 2017. The first full performance period applicable to the Management Company will be 1 July 2017 to 30 June 2018 and no variable remuneration has been paid relating to this period.

Additional information for investors in the Federal Republic of Germany

J.P. Morgan AG, TaunusTurm, Taunustor 1, D-60310 Frankfurt am Main, has undertaken the function of Paying and Information Agent for the Company in the Federal Republic of Germany (the "German Paying and Information Agent").

Applications for the redemptions and conversion of shares may be sent to the German Paying and Information Agent.

All payments to investors, including redemption proceeds and potential distributions, may, upon request, be paid through the German Paying and Information Agent.

The prospectus, the key investor information documents (KIID), the Articles of Incorporation of the Company and the annual and semi-annual reports may be obtained, free of charge, in hardcopy form at the office of the German Paying and Information Agent during normal opening hours. The statement of changes in the composition of the investment portfolio is also available free of charge in hardcopy form, upon request at the office of the German Paying and Information Agent. The German translation of the Annual Report is also available on the Management Company's webpage at thecapitalgroup.com/emea.

Issue, redemption, and conversion prices of shares, and any other information to the shareholders, are also available from the German Paying and Information Agent.

The issue, redemption and conversion prices will be published on the website www.fundinfo.com.

Equity Gain (Aktiengewinn), Interim Profit (Zwischengewinn), Real Estate Gain (Immobiliengewinn) and Accumulated Deemed Distributed Income (Akkumulierter Ausschüttungsgleicher Ertrag) are published on the following platform: www.fundinfo.com.

Any other information to the shareholders will be sent to the shareholders by mail.

Contact information

For Transaction, Account and Fund Information, Literature Requests

Funds' Custodian, Transfer Agent and Administrator JP Morgan Bank Luxembourg S.A. (JP Morgan)

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The Management Company's webpage:

thecapitalgroup.com/emea

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