



**CAPITAL  
GROUP<sup>SM</sup>**

**Capital International  
Emerging Markets Fund  
Prospectus**

April 2018

Société d'Investissement à Capital  
Variable organised under the laws  
of the Grand Duchy of Luxembourg



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# Capital International Emerging Markets Fund

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## Warnings

Shares are offered on the basis of the information and representations contained in this Prospectus and the documents specified in this Prospectus and no other information or representation relating to them is authorised. Where legally required, this Prospectus must be accompanied by the relevant Key Investor Information Documents, and the Company's most recent annual report and semi-annual report if more recent than the annual report; these form part of this Prospectus and can be obtained, free of charge, from the registered office of the Company.

This Prospectus does not constitute an offer or solicitation (i) by anyone in any jurisdiction in which it is illegal, (ii) where the person making an offer or solicitation is not qualified to do so, or (iii) to anyone to whom it is illegal to make an offer or solicitation. Please also see "Registration" below.

It is the responsibility of prospective purchasers of Shares to inform themselves as to, and to observe, the legal requirements, exchange control regulations and applicable taxes to which they are subject (see also any addendum accompanying this Prospectus with additional information for investors in relevant jurisdictions).

Investment in the Company may not be suitable for all investors. Prospective purchasers of Shares who are individuals are encouraged to invest with the assistance of a Distributor (of which the Company will provide details upon request), who will be responsible for the assessment of the suitability and/or the appropriateness of such investment (see also "Distributors and other Intermediaries"). Investments in the Company are subject to market risks and other risks such as counterparty and liquidity risks. Please read the "Risk Warnings" section for more details of the relevant risk factors involved. Past results are no indication of future results and investors may get back less than they originally invested.

As further detailed under "Restrictions on Ownership", the Company may restrict or prevent the ownership of Shares by any person, firm or corporate body including, but without limitation, any US Person and any US citizen. Shares may not be transferred except in compliance with all applicable securities laws. In addition, the Company may require the redemption of Shares by any person. The Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general shareholders' meetings, if the investor is registered himself/herself and in his/her own name in the shareholders' register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in its own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

## Registration

Each available Class is registered for public or limited offering of its Shares in various jurisdictions, a list of which may be obtained from the Company upon request.

The Company reserves the right to de-register in Taiwan at anytime if, in the opinion of the Investment Adviser, it is likely that such Investment Adviser's investment conviction will lead the Company to, in the near future, exceed any then applicable Taiwanese limit on investing in Mainland China securities.

Information on countries where the Company is available can be found online at [capitalgroup.com/international](http://capitalgroup.com/international).

## Risk Factors

Investment in Developing Country securities involves a number of risks which may be greater than those normally associated with investments in securities of developed countries. In the light of such risks, Shares should be purchased only by investors capable of bearing the higher level of risk associated with such an investment (see "Risk Warnings").

## Definitions and References

In this Prospectus and any Annexes, the following capitalised terms will have the following meaning unless the context requires otherwise:

Account Opening Form	the form to be used for the purpose of opening an account with the Company
Administrative Manager	the party acting as the Company's domiciliary agent, corporate agent, registrar and transfer agent, i.e. J. P. Morgan Bank Luxembourg S.A. of European Bank & Business Centre, 6C, route de Trèves, L-2633 Senningerberg, Luxembourg
ADR	American Depository Receipt
Affiliate	any entity which is (i) directly or indirectly owned, (ii) managed or (iii) controlled by Capital Group
Bond	any transferable fixed-income security (which may include fixed-income securities convertible into equity and/or having attached warrants)
Business Day	a day on which banks are generally open for business in Luxembourg (excluding 24 December in each year)
Capital Group	The Capital Group Companies, Inc. of 333 South Hope Street, Los Angeles, California 90071, USA
Capital Group Investor	an investor who has been approved as a shareholder of the Company by the Management Company, subject to conditions established from time to time by Capital Group
CIEMF	the Company
CII	Capital International, Inc., 11100 Santa Monica Boulevard, 15th Floor, Los Angeles, CA 90025-3384, USA
CISA	Capital International Sàrl 3, place des Bergues, 1201 Geneva, Switzerland

Class	each class of Shares
Company	Capital International Emerging Markets Fund
Conducting Officer	a conducting officer of the Management Company pursuant to Article 102 (1) of the Law
CSSF	Commission de Surveillance du Secteur Financier
Custodian	J. P. Morgan Bank Luxembourg S.A. of European Bank & Business Centre, 6C, route de Trèves, L-2633 Senningerberg, Luxembourg
Cut-Off Time	1:00 pm on each Valuation Date, Subscription Pre-notification Date and Redemption Pre-notification Date, as the case may be
Depository	J. P. Morgan Bank Luxembourg S.A. of European Bank & Business Centre, 6C, route de Trèves, L-2633 Senningerberg, Luxembourg
Developing Country	a country which, in the opinion of the Company's Board of Directors, is generally considered to be a developing country by the international financial community
Distributor	an Intermediary that has entered into an agreement with the Company or the Management Company whereby it has undertaken to (i) promote and distribute Shares or an investment product that invests in Shares or, to in any similar manner serve as an intermediary between the Company or the Management Company and investors, and (ii) to provide services to investors in relation to their investment in Shares
Eligible Assets	assets in which the Portfolio of the Company will exclusively invest, as defined in the Annex A
Eligible Country	any country that is a member of the OECD and all other countries of Europe, the Middle East, North, Central and South America, Africa, Asia, Central Asia and Australia
Equity or Equities	any transferable equity and equity-related securities (including fixed income securities convertible into equity or having attached warrants, warrants, ADRs, GDRs and preferred shares, all of which are considered equivalent to the underlying equity for all intents and purposes)
GDR	Global Depository Receipt
High Yield Bond	a Bond with a credit rating equal to or lower than BB+ by Standard & Poor's or Fitch, or Ba1 by Moody's, or an un-rated Bond deemed to be of equivalent standing by the Investment Adviser. In the case of a split-rated security, the lowest rating will apply
Institutional Investor	an investor meeting the requirements to qualify as an institutional investor for the purposes of article 174 of the Law.
Intermediary	a person or entity that promotes and distributes Shares or an investment product that invests in Shares, or in any other similar manner serves as an intermediary between the Company or the Management Company and investors
Investment Advisers	CII and CISA
Investment Grade Bond	a Bond with a credit rating equal to or better than BBB- by Standard & Poor's or Fitch, or Baa3 by Moody's, or an un-rated Bond deemed to be of equivalent standing by the Investment Adviser. In the case of a split-rated security, the highest rating will apply
JP Morgan	J. P. Morgan Bank Luxembourg S.A. of European Bank & Business Centre, 6C, route de Trèves, L-2633 Senningerberg, Luxembourg
Key Investor Information Document (or KIID)	the key investor information document which will be available on <a href="http://capitalgroup.com/international">capitalgroup.com/international</a>
Law	the Luxembourg law of 17 December 2010 on collective investment undertakings, as may be amended
Management Company	Capital International Management Company, Sàrl of 37A, avenue JF. Kennedy, L-1855 Luxembourg
Management Fee	the management fee paid by the Company to the Management Company, expressed as a percentage of total net assets in the relevant Class
Member State	member State of the European Union
Net Asset Value	the net asset value per Share, calculated in accordance with the Calculation Principles provided for under "Net Asset Value"
OECD	Organisation for Economic Co-operation and Development
Offering Price	the offering price per Share
Official Listing	official listing on a stock exchange, which is regulated, operating regularly, recognised and open to the public within the meaning of Article 41(1) of the Law
OTC	over-the-counter
OTC Derivative	financial derivative instrument dealt in the OTC derivative markets
Paying Agent	J. P. Morgan Bank Luxembourg S.A. of European Bank & Business Centre, 6C, route de Trèves, L-2633 Senningerberg, Luxembourg
Payment Due Date	date by which payment for Shares must be received in cleared funds in the relevant Payment Currency in the collection account as provided in this Prospectus or agreed from time to time with the Company. If payments in the relevant currency cannot settle on such day, the Payment Due Date is the next Week Day on which the payment can settle, or if the final transaction amount, when placing an order in number of Shares, cannot be confirmed in due course, the Payment Due Date is the Week Day following this confirmation

Payment Currency	a currency in which subscription monies may generally be paid and an official Net Asset Value of the Company is available, as specified under "The Classes". The list of available active Class can be found online on the Management Company's webpage at <a href="http://capitalgroup.com/international">capitalgroup.com/international</a>
Portfolio	the portfolio of the Company
Qualified Developing Country	a Developing Country which is currently designated as a "Qualified Developing Country" by the Company's Board of Directors and which appears in the list in Annex B hereto. Countries may be added to Annex B by resolution of the Company's Board of Directors, with Shareholders then being informed in an appropriate manner
Redemption Pre-notification Date	for redemption requests above USD 50 million or the equivalent amount in another currency, three Week Days before the relevant Valuation Date
Regulated Market	a market that is regulated, operating regularly, recognised and open to the public in an Eligible Country. In the case of Bonds, Regulated Markets include (i) the Over-the-Counter-Markets of the NASDAQ System, (ii) the Over-the-Counter Market of the members of the International Capital Market Association, (iii) the US NASD-regulated Over-the-Counter Bond Market and (iv) any similarly operating Regulated Market on which Bonds, including Eurobonds and similar off-shore Bonds, are customarily dealt in
Share	a share of the Company
Shareholder	the owner of Share(s)
SICAV	open-ended investment company ("Société d'Investissement à Capital Variable")
Subscription Pre-notification Date	for subscription requests above USD 50 million or the equivalent amount in another currency, three Week Days before the relevant Valuation Date
Transaction Request Form	the form to be used for transacting in Shares
UCI	Undertaking for Collective Investment within the meaning of Article 41(1) e) of the Law
UCITS	Undertaking for Collective Investment in Transferable Securities authorised according to the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investments in transferable securities, as may be amended
UK	United Kingdom
USA or US	the United States of America
US Person	a "US Person" as defined in Regulation S under the United States Securities Act of 1933, as amended, which includes any resident of the United States, or any corporation, partnership or other entity created or organised under the laws of the United States (including any estate of any such person created or organised in the United States)
Valuation Date	each Business Day, other than days (as determined by the Board or the Management Company at their discretion) on which any market(s) representing a meaningful portion of the Company's Portfolio is closed. For the purpose of this paragraph, the market to be considered is the market where the relevant instrument is traded. (A list of such dates is available on <a href="http://capitalgroup.com/international">capitalgroup.com/international</a> )
Week Day	any calendar day other than a Saturday or a Sunday

Unless otherwise specified, all references to time are to Luxembourg time.

## The Company and its Structure

The Company is incorporated in Luxembourg as a SICAV under Part I of the Law, as described in more detail under “Capital International Emerging Markets Fund – General and Corporate Information”. Its base currency is the USD (“Base Currency”).

### The Classes

Shares are divided into Class A7 Shares, Class A9 Shares, Class A11 Shares, Class B Shares, Class Bd Shares, Class C Shares, Class Cd Shares, Class I Shares, Class Id Shares, Class Q Shares, Class Qd Shares, Class T Shares, Class Z Shares and Class Zd Shares. Classes will be activated by the Management Company. Active Classes available in the Company and corresponding KIIDs may be found on the Management Company’s webpage at [capitalgroup.com/international](http://capitalgroup.com/international).

The Board of Directors intends to recommend that Class Bd Shares, Class Cd Shares, Class Id Shares, Class Qd Shares and Class Zd Shares distribute dividends. (see “Dividend Policy” for details).

Each Class is primarily designed for certain categories of investors, as described below.

- **Class A7:** Class A7 Shares are available only to Institutional Investors (i) meeting an initial investment and minimum amount to be held at any time, of \$10 million or equivalent<sup>1</sup> and (ii) which are Capital Group Investors, subject to conditions established from time to time by Capital Group.
- **Class A9:** Class A9 Shares are available only to Institutional Investors (i) meeting an initial investment and minimum amount to be held at any time, of \$100 million or equivalent<sup>1</sup> and (ii) which are Capital Group Investors, subject to conditions established from time to time by Capital Group. Subscriptions in Class A9 Shares can be paid in USD and EUR.
- **Class A11:** Class A11 Shares are available only to Institutional Investors (i) meeting an initial investment and minimum amount to be held at any time, of \$300 million or equivalent<sup>1</sup> and (ii) which are Capital Group Investors, subject to conditions established from time to time by Capital Group.
- **Class B and Class Bd:** Class B and Class Bd Shares are designed for (i) individual investors investing either with the assistance of Distributors, or directly, subject to an initial investment and minimum amount to be held at any one time, of \$100,000 or equivalent<sup>1</sup> or (ii) Capital Group Investors, subject to conditions established from time to time by Capital Group.
- **Class C and Class Cd:** Class C and Class Cd Shares are available only to Institutional Investors which are Capital Group Investors, subject to conditions established from time to time by Capital Group, including the entering into a separate agreement with respect to management fee.
- **Class I and Class Id:** Class I and Class Id Shares are available only to Institutional Investors (i) meeting an initial investment and minimum amount to be held at any time, of \$20 million or equivalent<sup>1</sup> and (ii) which are Capital Group Investors, subject to conditions established from time to time by Capital Group.
- **Class Q and Class Qd:** Class Q and Class Qd Shares are available to (i) all investors, subject to an initial investment and minimum amount to be held at any time, of \$20 million or equivalent<sup>1</sup>, and (ii) Capital Group Investors, subject to conditions established from time to time by Capital Group.
- **Class T:** Class T Shares are available for individual investors investing with the assistance of Distributors. Eligibility for such Shares is subject to an initial investment and minimum amount to be held at any one time, of \$100,000 or equivalent<sup>1</sup>.
- **Class Z and Class Zd:** Class Z Shares and Shares of Equivalent Classes are available to Capital Group Investors. Class Z Shares and Shares of Equivalent Classes are particularly suitable to Distributors and other Intermediaries who are directly compensated by investors through separate fee arrangements, and are not allowed to accept and keep trail commissions, either due to regulatory restrictions such as EC Directive 2014/65/EC as amended (commonly referred to as “MiFID II”) or similar laws and regulations or on the basis of contractual arrangements. The initial investment and minimum amount to be held at any time is \$1’000 or equivalent<sup>1</sup>.

Each Class may be available in the following currencies: CHF, EUR, GBP, JPY and USD or any other freely convertible currency. The list of available Payment Currencies in each active Class can be found online on the Management Company’s webpage at [capitalgroup.com/international](http://capitalgroup.com/international).

The Management Company may ask the applicant investor and/or the Distributor or other Intermediary, as the case may be, to supply any relevant eligibility information (Please refer to “Restrictions on Ownership”). In considering the qualification of a subscriber or a transferee as an Institutional Investor, the Management Company will have due regard to any guidelines or recommendations issued by Luxembourg authorities. Institutional Investors subscribing for Shares of Class A7, Class A9, Class A11, Class C, Class Cd, Class I and Class Id Shares in their own name, but on behalf of a third party, must certify to the Management Company that the subscription is made on behalf of an Institutional Investor and the Management Company may require, at its sole discretion, evidence that the beneficial owner of the Shares is an Institutional Investor.

If the Management Company determines, in its discretion, that the applicant investor is not eligible for the selected Class, it may reject the investment request. If the Management Company determines, in its discretion, that an existing investor is not eligible anymore in the Class it is invested in, it may, in its discretion, switch the investor into the nearest similar available Class without seeking any pre-approval from the investor or redeem the investor.

Prospective investors are invited to ascertain with the Administrative Manager that a Class is active before making their subscription; processing of subscription applications in a Class that is not yet active may be delayed and Shares will be issued at the Net Asset Value, potentially adjusted upwards or downwards as the case may be as described under “Swing pricing adjustment”, of the Valuation Date on which the Class is effectively launched.

In any such case, or where the Company has had to switch Shares into a Class that is not the Class originally invested in, it will inform the investor promptly. It will be the investor’s responsibility to apply for a conversion of his holding back into the Class originally invested in if he later becomes eligible again for such Class.

<sup>1</sup> Unless a lower amount results from market action or is approved by the Management Company’s Board of Directors. Different investment minima may apply if Shares are purchased with the assistance of a Distributor, as further detailed under “Distributors and other Intermediaries”.

## The Shares

Shares are available in registered form only. Fractions of Shares may be issued.

Each whole Share or fraction of a Share is entitled to participate equally, within its Class, in the profits of, and distributions by, the Company and in its assets on liquidation. Otherwise, all Shares have the same rights and privileges, except as described under "The Classes", "Dividend Policy" and "Expenses". Each whole Share is entitled to one vote at all meetings of Shareholders; fractions of Shares will not entitle the holder to vote. The Shares are fully paid and have no preferential or pre-emptive rights.

## Investment Objectives and Policies

The investment objectives of the Company are to seek risk diversification, both geographically and by industry sector and long-term capital growth, through investment primarily in securities of issuers domiciled in or conducting a predominant part of their economic activities in Developing Countries.

Although the Portfolio consists principally of common stocks, or transferable securities with common stock characteristics, the Company also invests in fixed-income securities, depending on their comparative attractiveness, and may hold ancillary liquid assets in various convertible currencies. Accordingly, the Company may invest in fixed income securities of issuers in Qualified Developing Countries, which may be denominated in local or other currencies, and may also invest in those of issuers outside Qualified Developing Countries.

If market conditions so require, the Company's assets may be held temporarily in the securities of issuers in a single or limited number of countries and/or denominated in a single or limited number of currencies in conformity with the investment restrictions.

Information relating to historical investment results of each Class can be found in the KIIDs.

### Responsible Investment

The Company reviews the governance of the companies in which it invests and seeks to vote all shares it holds across all markets. As well as financial factors, other issues – including environmental, social and governance (ESG) issues – are integrated into the fundamental analysis of a company where relevant to its value.

### Calculation method of the risk exposure

The methodology used 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.

## Risk Warnings

### General Investment Risk

Investments in the Company are subject to market and other risks such as counterparty and liquidity risks. Past results are no indication of future results and investors may get back less than they originally invested. There can be no guarantee that the investment objectives will be realised. This and other risks should be considered carefully by prospective investors. The Company seeks, as far as is feasible, to reduce these risks by careful management of its assets. However, there can be no assurance that these efforts will be successful.

### Specific Risks

The list of risks indicated below is not exhaustive, and any investments are subject to any risks related to international investment generally.

#### Equities

The Company will invest in Equities. The prices of Equity securities may decline in response to certain events, including, but not limited to, those directly affecting the companies whose securities are owned by the Company; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency fluctuations.

#### Bonds

The Company may invest in Bonds. The market values of Bonds generally vary inversely with the level of interest rates – when interest rates rise, their values will tend to decline and vice versa. The magnitude of these changes generally will be greater the longer the remaining maturity of the security.

By investing in Bonds, the Company will be exposed to credit risk. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. In the event that the issuer experiences financial or economic difficulties, this may affect the value of, and/or any amounts paid on, the relevant securities. Securities ratings by credit rating agencies are a generally recognized barometer of credit risk; however, an issuer's rating is heavily weighted by past developments and does not necessarily reflect probable future conditions. There is frequently a lag between the time the rating is assigned and the time it is updated; and there may be varying degrees of difference in credit risk of securities within each rating category. While Investment Grade Bonds usually have a higher capacity to pay interest and repay principal than lower-rated securities, there are no assurances that losses will not occur with respect to these investments.

#### High Yield Bonds

The Company may invest in High Yield Bonds. These Bonds typically are subject to greater market fluctuations and to greater risk of loss of income and principal due to default by the issuer than are higher-rated Bonds. Lower-rated Bonds' values tend to reflect short-term corporate, economic and market developments and investor perceptions of the issuer's credit quality to a greater extent than lower-yielding higher-rated Bonds. In addition, it may be more difficult to dispose of, or to determine the value of, High Yield Bonds. Bonds rated BB+ or Ba1 or lower are described by the ratings agencies as "predominantly speculative with respect to capacity to pay interest and repay principal in accordance with the terms of the obligation. While such debt will likely have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposures to adverse conditions."

## Sovereign Debt

The Company may invest in sovereign debt and thus may be exposed to credit risk of the relevant governmental issuers. The Company could lose money if such issuers default and there may not be any bankruptcy proceedings by which the Company could enforce its rights in whole or in part.

## Developing Country

The Company will invest in Developing Country securities.

Investing in Developing Countries may involve risks in addition to and greater than those generally associated with investing in the securities markets of developed countries. For instance, Developing Countries may have less developed legal and accounting systems than those in developed countries. The governments of these countries may be less stable and more likely to impose capital controls, nationalize a company or industry, place restrictions on foreign ownership and on withdrawing sale proceeds of securities from the country, and/or impose punitive taxes that could adversely affect the prices of securities. In addition, the economies of these countries may be dependent on relatively few industries that are more susceptible to local and global changes. 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. Additionally, there may be increased settlement risks for transactions in local securities.

### Certain risk factors related to Developing Country

#### Currency fluctuations

Certain Developing Country's currencies have experienced and in the future may experience significant declines against major convertible currencies. Further, the Company may lose money due to losses and other expenses incurred in converting various currencies to purchase and sell securities, as well as from currency restrictions, exchange control regulation and currency devaluations.

#### Government regulation

Certain Developing Countries lack uniform accounting, auditing and financial reporting and disclosure standards, may have often less governmental supervision of financial markets than in developed countries, and do not in many cases honor legal rights enjoyed in developed countries. Certain governments may be more unstable and present greater risks of nationalization or restrictions on foreign ownership of local companies. Repatriation of investment income, capital and the proceeds of sales by foreign investors may require governmental registration and/or approval in some Developing Countries. While the Company will only invest in markets where these restrictions are considered acceptable by the Investment Adviser(s), a country could impose new or additional repatriation restrictions after the Company's investment. If this happened, the Company's response might include, among other things, applying to the appropriate authorities for a waiver of the restrictions or engaging in transactions in other markets designed to offset the risks of decline in that country. Such restrictions will be considered in relation to the Company's liquidity needs and other factors. Further, some attractive equity securities may not be available to the Company if foreign investors already hold the maximum amount legally permissible.

While government involvement in the private sector varies in degree among Developing Countries, such involvement may in some cases include government ownership of companies in certain sectors, wage and price controls or imposition of trade barriers and other protectionist measures. With respect to any Developing Countries, there is no guarantee that some future economic or political crisis will not lead to price controls, forced mergers of companies, expropriation, or creation of government monopolies to the possible detriment of the Company's investments.

#### Fluctuations in inflation rates

Rapid fluctuations in inflation rates may have negative impacts on the economies and securities markets of certain Developing Countries.

#### Less developed securities markets

Developing Countries may have in general less well-developed securities markets and exchanges. These markets have lower trading volumes than the securities markets of more developed countries and may be unable to respond effectively to increases in trading volume. Consequently, these markets may be substantially less liquid than those of more developed countries, and the securities of issuers located in these markets may have limited marketability. These factors may make prompt liquidation of substantial portfolio holdings difficult or impossible at times.

#### Settlement risks

Settlement systems in Developing Countries are generally less well organized than those of developed markets. Supervisory authorities may also be unable to apply standards comparable to those in developed markets. Thus, there may be risks that settlement may be delayed and that cash or securities belonging to the Company may be in jeopardy because of failures of or defects in the systems. In particular, market practice may require that payment be made before receipt of the security being purchased or that delivery of a security be made before payment is received. In such cases, default by a broker or bank (the "counterparty") through whom the transaction is effected might cause the Company to suffer a loss. The Company will seek, where possible, to use counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that the Company will be successful in eliminating this risk, particularly as counterparties operating in Developing Countries frequently lack the standing or financial resources of those in developed countries. There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise with respect to securities held by or to be transferred to the Company.

#### Insufficient market information

The Company may encounter problems assessing investment opportunities in certain Developing Countries in light of limitations on available information and different accounting, auditing and financial reporting standards. In such circumstances, the Company's Investment Adviser(s) will seek alternative sources of information, and to the extent the Investment Adviser(s) is not satisfied with the sufficiency of the information obtained with respect to a particular market or security, the Company will not invest in such market or security.

#### Taxation

Taxation of dividends, interest and capital gains received by the Company varies among Developing Countries and, in some cases, is comparatively high. In addition, Developing Countries typically have often less well-defined tax laws and procedures and such laws may permit retroactive taxation so that the Company could become subject in the future to local tax liability that it had not reasonably anticipated in conducting its investment activities or valuing its assets.

## Litigation

The Company and its Shareholders may encounter substantial difficulties in obtaining and enforcing judgments against individuals residing and companies domiciled in certain Developing Countries.

## Fraudulent securities

Shares purchased by the Company may subsequently be found to be fraudulent or counterfeit, resulting in a loss to the Company.

## 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 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 Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect are both subject to a daily quota ("Daily Quota"). Northbound Shanghai Trading Link and Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect as well as 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 Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect each day.

Investments in securities traded and cleared on the Stock Connects are subject to various risks, as described in detail below:

### Quota Limitations

The Stock Connects are subject to quota limitations. In particular, once the daily quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Company's ability to invest in China A Shares through the Stock Connects on a timely basis, and the Company may not be able to effectively pursue its investment strategy.

### Legal / Beneficial Ownership

The SSE and SZSE shares are held by the Depository/ sub-custodian in accounts in the Hong Kong Central Clearing and Settlement System ("CCASS") maintained by the HKSCC as central securities depository in Hong Kong. HKSCC in turn holds the SSE and SZSE shares, as the nominee holder, through an omnibus securities account in its name registered with ChinaClear for each of the Stock Connects. The precise nature and rights of the Company as the beneficial owner of the SSE and SZSE shares through HKSCC as nominee is not well defined under PRC law. There is lack of a clear definition of, and distinction between, "legal ownership" and "beneficial ownership" under PRC law and there have been few cases involving a nominee account structure in the PRC courts. Therefore the exact nature and methods of enforcement of the rights and interests of the Stock Connect Funds under PRC law is uncertain. Because of this uncertainty, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong it is not clear if the SSE and SZSE shares will be regarded as held for the beneficial ownership of the Company or as part of the general assets of HKSCC available for general distribution to its creditors.

### Clearing and Settlement Risk

HKSCC and ChinaClear have established the clearing links and each has become a participant of the other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote. In the remote event of a ChinaClear default, HKSCC's liabilities in SSE and SZSE shares under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC should in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Company may suffer delay in the recovery process or may not fully recover its losses from ChinaClear.

### Suspension Risk

Each of the SEHK, SSE and SZSE reserves the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension is effected, the Company's ability to access the PRC market will be adversely affected.

## Differences in Trading Day

The Stock Connects only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but the Stock Connect Funds cannot carry out any China A Shares trading via the Stock Connects. The Company may be subject to a risk of price fluctuations in China A Shares during the time when any of the Stock Connects is not trading as a result.

## Operational Risk

The Stock Connects are premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

The securities regimes and legal systems of the two markets differ significantly and market participants may need to address issues arising from the differences on an on-going basis. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The Company's ability to access the China A Share market (and hence to pursue its investment strategy) may be adversely affected.

## Regulatory Risk

The Stock Connects are a novel concept. The current regulations are untested and there is no certainty as to how they will be applied. In addition, the current regulations are subject to change which may have potential retrospective effects and there can be no assurance that the Stock Connects will not be abolished. New regulations may be issued from time to time by the regulators / stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. The Company may be adversely affected as a result of such changes.

## Recalling of Eligible Stocks

When a stock is recalled from the scope of eligible stocks for trading via the Stock Connects, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Company, for example, if the Investment Adviser wishes to purchase a stock which is recalled from the scope of eligible stocks.

## Disclosure Requirements

Under Stock Connect, trading in SSE and SZSE Securities is subject to market rules and disclosure requirements in the PRC stock market. Any changes in laws, regulations and policies of the PRC A-Shares market or rules in relation to Stock Connect may affect share prices. The Company is subject to restrictions on trading (including restriction on retention of proceeds) in PRC A-Shares as a result of its interest in the PRC A-Shares. The Investment Adviser is solely responsible for compliance with all notifications, reports and relevant requirements in connection with its interests in PRC A-Shares. Under current PRC rules, once an investor holds more than 5% of the shares of a company listed on the SSE or SZSE, the investor is required to disclose its interest within three working days and during which it cannot trade the shares of that company. The investor is also required to disclose any change in its shareholding and comply with related trading restrictions in accordance with PRC rules.

## No Protection by Investor Compensation Fund

Investment in SSE and SZSE shares via the Stock Connects is conducted through brokers, and is subject to the risks of default by such brokers' in their obligations. Investments of the Company are not covered by the Hong Kong's Investor Compensation Fund, which has been established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. Since default matters in respect of SSE and SZSE shares via Stock Connect do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Fund. Therefore the Company is exposed to the risks of default of the broker(s) it engages in its trading in China A Shares through the Stock Connects.

## Conversion Risk

The Company, whose base currency is not RMB, may also be exposed to currency risk due to the need for the conversion into RMB for investments in SSE and SZSE Securities via the Stock Connects. During any such conversion, the Company may also incur currency conversion costs. The currency exchange rate may be subject to fluctuation and where RMB has depreciated, the Company may incur a loss when it converts the sale proceeds of SSE and SZSE Securities into its Base Currency.

## People's Republic of China

Investors should note that, in addition to the risks described above and other risks applicable to the Company, the risks of investing in the PRC also apply. Investments in the PRC are currently subject to certain additional risks, particularly regarding the ability to deal in securities in the PRC. As a result, the Company may choose to gain exposure to PRC securities indirectly and may be unable to gain full exposure to the PRC markets. The PRC is one of the world's largest global emerging markets. Investing in the securities markets in the PRC is subject to the risks of investing in emerging markets generally as well as to specific risks relating to the PRC market.

The economy in the PRC, which has been in a state of transition from a planned economy to a more market orientated economy, differs from the economies of most developed countries and investing in the PRC may be subject to greater risk of loss than investments in developed markets. Any political changes, social instability and adverse diplomatic developments which may take place in, or in relation to, the PRC could result in significant fluctuation in the price of China A Shares. Given the short history of the PRC system of commercial laws, the PRC regulatory and legal framework may not be as well developed as those of developed countries. As the PRC legal system develops, no assurance can be given that changes in such laws and regulations, their interpretation or their enforcement will not have a material adverse effect on the Company's onshore business operations or the ability of the Company to acquire China A Shares. Chinese accounting standards and practices may deviate significantly from international accounting standards. The settlement and clearing systems of the PRC securities markets may not be well tested and may be subject to increased risks of error or inefficiency. There are risks and uncertainties associated with the current PRC tax laws, regulations and practice on any fund's investments in the PRC. Any increased tax liabilities on the Company may adversely affect the Company's value.

The Renminbi, the lawful currency of the PRC, is not currently a freely convertible currency and is subject to exchange control imposed by the PRC government. Such control of currency conversion and movements in the Renminbi exchange rates may adversely affect the operations and financial results of companies in the PRC. Insofar as the Company may invest in the PRC, it will be subject to the risk of the PRC government's imposition of restrictions on the repatriation of funds or other assets out of the country, limiting the ability of the Company to satisfy payments to investors. This may impact the liquidity of the Company and its ability to meet redemption requests upon demand.

## Trading Costs

In addition to paying trading fees and stamp duties in connection with Stock Connects' shares trading, the Company carrying out trading via Stock Connects should also take note of any new portfolio fees, dividend tax and taxes concerned with income arising from stock transfers which would be determined by the relevant authorities.

## Taxation

There are risks and uncertainties associated with the current PRC tax laws, regulations and practice on any fund's investments in the PRC. Any increased tax liabilities on the Company may adversely affect the Company's value.

Under the PRC Enterprise Income Tax Law ("EITL"), dividends and interest paid by PRC companies are subject to 10% tax. Capital gains from the disposal of PRC securities would normally be subject to 10% tax as well. However, currently capital gains from the disposal of China A-Shares (including those on the China-Hong Kong Stock Connect Programmes) are subject to a temporary exemption effective from 17 November 2014.

With the uncertainty over whether and how certain income and capital gains on PRC securities are to be taxed, coupled with the possibility of the laws, regulations and practice in the PRC changing with retrospective effect, any accrual for taxation made by the Management Company may not meet final PRC tax liabilities. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of such changes when they subscribed and/or redeemed their Units in/from the Company.

Further information about the Stock Connect is available online at the website: <http://www.hkex.com.hk/eng/csm/index.htm>

## Currency Risk

The investments of the Company may be denominated in currencies other than their base currency. In this regard, there is a currency exchange risk involved as a result of fluctuations in exchange rates between the base currency and such other currencies, which may affect the value of the Company. In addition, in certain countries, the Company might also be exposed to risks associated with exchange control or currency instability, which could impact the ability to freely repatriate funds invested.

## OTC Markets

The Company will invest in securities that are actively traded in an OTC market. Trading on such markets may involve higher risks than trading on official stock exchanges due to, in particular, lower market liquidity as well as lower investor protection in applicable regulations and available information. In determining whether to approve markets for investment, the Investment Adviser will take into account, among other things, market liquidity, investor information and government regulations, including tax and foreign exchange repatriation rules.

## Derivative Instruments

While the Company intends to use derivative instruments in a prudent manner, derivative instruments may expose the Company to additional risks related to the credit risks of the counter-party, the uncorrelation between derivative security prices and prices of the underlying instrument positions, and potential for increased volatility and reduced liquidity in comparison to the underlying security positions.

Derivative instruments will only be used for hedging and/or efficient portfolio management purposes.

The Company does not make use of any securities financing transactions and/or total return swaps as defined under Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012. Should the Company make use of any such securities financing transactions and/or total return swaps, this Prospectus will be amended accordingly.

## Equity Linked Notes

The Company may invest in equity linked notes. The price of an equity linked note is derived from the value of the underlying linked securities. The level and type of risk involved in the purchase of an equity linked note by the Company is potentially higher than the risk involved in the purchase of the underlying security. Equity linked notes are also dependent on the individual credit of the issuer of the note, which will generally be a trust or other special purpose vehicle or finance subsidiary established by a major financial institution for the limited purpose of issuing the note. Like other structured products, equity linked notes are frequently secured by collateral consisting of a combination of debt or related equity securities to which payments under the notes are linked. If so secured, the Company would look to this underlying collateral for satisfaction of claims in the event that the issuer of an equity linked note defaulted under the terms of the note.

Equity linked notes are often privately placed and may not be rated, in which case the Company will be more dependent on the ability to evaluate the creditworthiness of the issuer, the underlying security, any collateral features of the note, and the potential for loss due to market and other factors. Ratings of issuers of equity linked notes refer only to the creditworthiness of the issuer and strength of related collateral arrangements or other credit supports, and do not take into account, or attempt to rate, any potential risks of the underlying equity securities. Depending on the law of the jurisdiction in which an issuer is organized and the note is issued, in the event of default, the Company may incur additional expenses in seeking recovery under an equity linked note, and may have less legal recourse in attempting to do so.

As with any investment, the Company can lose the entire amount it has invested in an equity linked note. The secondary market for equity linked notes may be limited. The lack of a liquid secondary market may have an adverse effect on the ability of the Company to accurately value the equity linked notes in their portfolios, and may make disposal of such securities more difficult for the Company.

## Depository Receipts

The Company will invest in depository receipts such as ADRs and GDRs. Depository Receipts are securities that represent shares trading outside the market in which the depository receipts are traded. Accordingly, while the depository receipts may be traded on recognized exchanges or regulated markets, the underlying shares may be subject to further risks such as political, inflationary, exchange rate or custody risk.

## European Monetary Union (EMU)

The Company will invest in countries that are members of the EMU. While some of these countries will retain relatively high credit ratings, there is a risk that one or several countries exit the Eurozone or a country within the Eurozone may default, leading to the break-up of the Eurozone. Such crisis may

have significant negative impact on the Company (such as default or downgrading of the security issued by a sovereign issuer and higher volatility, liquidity and foreign exchange risk associated with investments in European securities).

The performance of the Company could deteriorate should there be any adverse credit events in the European region (e.g. downgrade of the sovereign credit rating of a European country or a default or bankruptcy of a European country and/or a sovereign issuer).

### Liquidity risk

The Company holdings may be deemed to be less liquid because they cannot be readily sold without significantly impacting the value of the holdings. Liquidity risk may result from the lack of an active market for a holding, legal or contractual restrictions on resale, or the reduced number and capacity of market participants to make a market in such holding. Market prices for less liquid holdings may be volatile, and reduced liquidity may have an adverse impact on the market price of such holdings. Additionally, the sale of less liquid holdings may involve substantial delays (including delays in settlement) and additional costs and the Company may have more difficulty to sell such holdings when necessary to meet its liquidity needs.

## Dividend Policy

### Class A7, Class A9, Class A11, Class B, Class C, Class I, Class Q, Class T and Class Z

It is not at present intended that dividends be distributed to Shareholders of Class A7, Class A9, Class A11, Class B, Class C, Class I, Class Q, Class T and Class Z Shareholders.

### Class Bd, Class Cd, Class Id, Class Qd and Class Zd

- **Principle and amount:** The Board of Directors of the Company intends to recommend that dividends be distributed to Shareholders of Class Bd, Class Cd, Class Id, Class Qd and Class Zd. The dividend will generally represent a substantial part of net investment income (i.e., investment income net of withholding taxes less expenses) of such Class. Class Bd, Class Cd, Class Id, Class Qd and Class Zd may not actually pay a dividend in any given accounting period if it has no or no significant net investment income. Such Class may however pay dividends on a regular basis and/or based on fixed amounts, in which case the amount paid out as dividends may exceed that of their net investment income.
- **Payment:** Shareholders can elect in writing to have their dividends either reinvested in Shares or paid to them. In the absence of instruction from a Shareholder, the Administrative Manager will automatically reinvest any dividends in Shares promptly upon payment of the dividend. If the Shareholder elects to have dividends paid, the relevant amount will be paid at no charge by bank transfer in the Company's Payment Currency to the bank account designated for this purpose (with all necessary details as specified in the Account Opening Form) by the Shareholder. Upon dividends paid to a Shareholder having been returned to the Company for the second consecutive year, the Administrative Manager will reinvest in Shares the amounts so returned, as well as the amount of any subsequent dividend paid to the same Shareholder until otherwise instructed.

## Expenses

### Annual Charges and Expenses Borne by the Company

- **Management Fee:** The Company pays the Management Fee at the annual rate for each Class as specified below.

This fee is used 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.

Several Classes with different Management Fee rates are available. A number of factors determine the eligibility of Shareholders, Distributors and other Intermediaries for particular Classes and the level of payments that the Management Company can make. These factors include the assets held by the Shareholder, the Distributor or other Intermediary or by investors who are its clients, as well as the overall relationship with the Capital Group. It is the responsibility of Distributors and other Intermediaries to select the most suitable Class(es) for their clients, considering the markets in which they promote the Shares and the type of services they provide to their clients.

Individuals investing with the assistance of Distributors or other Intermediaries are encouraged to review the Class(es) in which they may invest, considering the nature and objective of their investments, since the level of Management Fee may have a material impact on the return of their investments.

The Investment Advisers, the Distributors and other Intermediaries may retrocede part or all of the received fee. The Management Fee is calculated and accrued on the basis of the net assets of the relevant Class and payable monthly in arrears.

In order to avoid double-charging the Company, when the Company or the Investment Advisers invest in other UCITS or UCIs directly or indirectly managed by the Investment Advisers or managed by an entity to which the Investment Advisers are related by virtue of (i) common management, (ii) common control, or (iii) a direct or indirect interest of more than 10 percent of share capital or voting rights, no investment management or advisory fee will be perceived. In addition, the Company will not be charged any subscription or redemption fees by these UCITS or UCIs. For the avoidance of doubt, when the Company or the Investment Advisers invest in other UCITS or UCIs which are not directly or indirectly managed by the Investment Advisers or by an entity to which the Investment Advisers are related as described above, investment management or advisory fee will be paid to these other UCITS or UCIs. Subscription or redemption fees to the units of these UCITS or other UCIs might apply. These fees will be included into the costs of buying and selling units of such UCITS or other UCIs, distinct from the Management Fee as described under "Other expenses" below.

**Class A7 Shares:** The Company pays the Management Fee at the annual rate of 0.85%.

**Class A9 Shares:** The Company pays the Management Fee at the annual rate of 0.80%.

**Class A11 Shares:** The Company pays the Management Fee at the annual rate of 0.75%.

**Class B and Class Bd Shares:** The Company pays the Management Fee at the annual rate of 1.75%.

**Class C and Class Cd Shares:** Each holder of Class C and/or Class Cd Shares is required to have entered into a separate agreement with respect to Management Fee.

**Class I and Class Id Shares:** The Company 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 the Company (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.

**Class Q and Class Qd Shares:** The Company pays the Management Fee using the same effective rate as the Class-I and Class-Id Management Fee. Such rate will be rounded to 5 decimal places.

**Class T Shares:** The Company pays the Management Fee at the annual rate of 2.00%.

**Class Z and Class Zd Shares:** The Company pays the Management Fee at the annual rate of 0.875%.

- **Other expenses:** In addition to the above Management Fee, the Company may also have to pay other expenses related to ancillary services which are charged separately as described below.

The Company pays fees and expenses to the providers of the following services in accordance with normal practice in Luxembourg: custody, paying agency, domiciliary agency, corporate agency, registrar and transfer agency; details of the Custodian's and the Administrative Manager's fees are specified below for all Classes:

- Fund Administration Fee: 0.15% maximum
- Depository and Custody Fee: 0.13% maximum

The effective Fund Administration and Custody fees vary with the total assets of the Company and, for the Custody fee, with the country breakdown in the Portfolio, up to the above indicated maximum.

The Company also bears its other operational and administration costs, including, but not limited to, the costs of buying and selling portfolio securities; the costs of legal publications, prospectuses, financial reports and other documents made available to Shareholders; governmental charges; legal, auditing and quality controlling fees; registration, publication, translation, local advice, coordination, representation and other similar costs relating to the registration of Shares in foreign jurisdictions; interest; reporting expenses (including in particular tax filings in various jurisdictions); communications costs; compensation of directors (unless they have declined such compensation, which all those employed by Affiliates have done) and their reasonable out-of-pocket expenses; reasonable investor servicing expenses; the cost of registering the Company on dealing or clearing platforms, exchanges or markets; and generally any other expenses arising from its administration and operations. Significant expenses are accrued in the Net Asset Value, and are charged first against income. The amount of these fees and expenses will be allocated on a fair basis to each Class, except if otherwise specified in this Prospectus and for certain fees and/or expenses which are specific to a given Class.

The Management Company or 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.

Charges relating to the creation of any new Class may be written off against the assets of the relevant Class over a period not exceeding five years and in such amounts in each year as determined on a fair basis.

The Management Company (or any Affiliate) may, at its discretion, decide to bear part of the expenses of some Classes so that the total expense ratio of the relevant Class(es) does not exceed certain thresholds. The corresponding amounts, if any, will be accrued daily within the relevant Classes, and disclosed in the Company's annual and semi-annual reports. Such policy, if any, may be changed or withdrawn at any time at the Management Company's or the Affiliate's sole discretion.

## Sales Charge Borne by the Investor

A sales charge up to 5.25% may be withheld by Distributors and other Intermediaries and, in the case of Class B, Class Z and Equivalent Classes, by the Management Company from any amount to be invested in Shares.

## Net Asset Value

### Frequency and Timing

The Net Asset Value of each Class is calculated as of each Valuation Date, after the Cut-Off Time. In addition, a net asset value, for performance and fee calculation purposes only, is calculated on each Business Day which is not a Valuation Date that falls on month-ends; no dealing activity can be based on such net asset value per Share.

The Net Asset Value is available at the registered office of the Company on the Business Day following the relevant Valuation Date and is also usually available online at [capitalgroup.com/international](http://capitalgroup.com/international).

### Calculation Principles

The Net Asset Value will be provided in the Base Currency and in each other Payment Currency, as specified under "The Classes".

The Net Asset Value of each Class is calculated by dividing the value of the portion of the assets of the Company properly attributable to the relevant Class, less the value of the liabilities of the Company properly attributable to such Class, by the total number of Shares of such Class issued and outstanding as of the relevant Valuation Date.

The Net Asset Value will be rounded to two decimal places, except in JPY where it will be rounded to the unit.

In determining the Net Asset Value, the following principles are applied:

- (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; 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 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 Net Asset Value 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 Net Asset Values and to eliminate or substantially reduce potential arbitrage opportunities at the expense of the Shareholders that might otherwise be available to short-term investors.

All Net Asset Value calculations will first be made in the Base Currency. For this purpose, assets or liabilities expressed in currencies other than the Base Currency will be translated into the Base Currency at the prevailing market rate on the Valuation Date. The result of such calculations will be translated into each other Payment Currency at the prevailing market rate on the Valuation Date.

The process of calculation of the Net Asset Value of each Class ensures that any transaction in Shares is effected at a Net Asset Value that cannot be known to the investor or Shareholder at the Cut-Off Time.

### 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 that 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.

The Net Asset Value will be first calculated separately as per the "Calculation Principles" as described above. 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 (i) suspend the application of any swing pricing adjustment to the Net Asset Value of the Company or (ii) 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 [capitalgroup.com/international](http://capitalgroup.com/international) 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.

## Suspension of Determination of Net Asset Value and of Issue, Switch and Redemption of Shares

The Company may suspend the determination of the Net Asset Value of any Class(es) and suspend the issue, switch and redemption of Shares of such Class(es) when:

- (a) any market(s) or stock exchange(s) on which a material part of the investments of the Company are quoted, is/are closed, other than for official holidays, or when dealings are substantially restricted or suspended;
- (b) the disposal of the assets of the Company or the determination of their value is not possible due to a local crisis, regional or global crisis, a communications breakdown or similar circumstances;
- (c) the reliable determination of the value of the assets of the Company is not possible, despite the use of fair valuation procedures as described in the Prospectus, due to exceptionally high levels of market volatility or similar circumstances;
- (d) as a result of exchange or other restrictions or difficulties affecting the transfer or remittance of funds, transactions are rendered impossible or impracticable, or when purchases and sales of assets cannot be effected at the normal rate of exchange;
- (e) in the case of the liquidation of the Company or a Class;
- (f) following a decision to merge a Class or the Company, if justified with a view to protecting the interest of Shareholders; or
- (g) in case the Company is a Feeder (as defined under Annex 1 below) of another UCITS (or a sub-fund thereof), if the net asset value calculation of the Master (as defined under Annex 1 below) UCITS (or the sub-fund thereof) is suspended.

The suspension of any Class will have no effect on the calculation of the Net Asset Value, and the issue, switch and redemption of the Shares, of any other Class.

Investors who have applied for subscription and Shareholders who have requested switch or redemption of their Shares in the relevant Class(es) will be promptly notified of any suspension and of the termination of the suspension. Subscription, redemption and switch requests may be withdrawn until termination of the suspension has been notified. In case of subscription, the subscription amount will be returned, without interest, as soon as practicable following the date of withdrawal, at the applicant's expense and risk.

## Account Opening

### Account Opening Procedure

Investors must open an account with the Company prior to first investing. Account Opening Forms must be used for this purpose, and are available from the Company, the Management Company, the Administrative Manager or Distributors upon request. An Account Opening Form is valid only when accompanied by a complete set of appropriate investor identification documents, the list of which will be provided to any investor by the Administrative Manager upon request, in the form and content prescribed by Luxembourg laws and regulations, including anti-money laundering laws. However, the Management Company may, at its discretion, choose to open a shareholder account with the Company based on an Account Opening Form that is not accompanied by all required documentation, it being understood that proceeding this way should remain exceptional and justified as protecting the Company's activities while in compliance with applicable Luxembourg laws. In such case, any missing documents must be received as soon as possible after the account opening and requests for transfers of Shares will not be acted upon, and subsequent requests for subscriptions, redemptions and switches will be acted upon but redemption proceeds will not be made available to the redeeming Shareholder, until the missing documentation has been provided.

Unless investors specify otherwise, (i) the Management Company or the Administrative Manager will accept and act upon faxed instructions (including for any transactions such as subscriptions, transfers, switches and redemptions) which it believes to have been given in good faith, and (ii) in the case of joint account holders, any of the joint shareholders can act individually on the account, except for amending bank account details or for transferring Shares, where the signature of all joint holders will be required.

Distributors and other Intermediaries may apply different account opening procedures to accounts opened with their assistance, as detailed under "Distributors and other Intermediaries". (For the avoidance of doubt, it is confirmed that, in all cases, the Administrative Manager retains ultimate responsibility for investor identification procedures.)

### Personal Data

By investing, the investors consent that the Management Company as well as, where relevant, its service providers such as Transfer Agent, representatives or agents and the Capital Group Luxembourg funds collect, retain, maintain and disclose confidential information and personal data in accordance with applicable laws and/or other regulations. The investors understand that the confidential information and personal data they are supplying will enable the Management Company as well as, where relevant, its service providers, such as Transfer Agent, representatives or agents and the Capital Group Luxembourg funds to administer the account of the investors and provide appropriate services to the investors. By investing, the investors understand and consent (i) to the transfer and disclosure of their information and personal data by the Management Company and/or the Transfer Agent to any affiliates or any entities within the J.P. Morgan Chase Bank N.A. group of companies, as well as to third party service providers, representatives, agents as well as the Capital Group Luxembourg funds and delegates located in Luxembourg or abroad and contracted from time to time by the Management Company and/or the Transfer Agent to administer the account of the investors and to provide appropriate services to the investors, and (ii) to renounce to benefit from the Luxembourg professional secrecy law and (iii) that their information and personal data may be held, processed and transferred in computing systems and gateways operated by the Management Company as well as, where relevant, its service providers, such as Transfer Agent, representatives and agents and the Capital Group Luxembourg funds as well as transferred to a country that does not have equivalent data protection laws to those of the European Economic Area, where the same level of confidentiality and protection in relation to data protection and professional secrecy as currently in force in Luxembourg, may not be guaranteed.

In particular, the investors understand and consent that the Management Company as well as, where relevant, its service providers, such as Transfer Agent, representatives and agents and the Capital Group Luxembourg funds may be required by applicable laws and/or other regulations to provide information about their account and/or their confidential information and personal data to public authorities (including supervisory, regulatory or governmental authorities) or courts in various jurisdictions, in particular those jurisdictions where (a) the Capital Group Luxembourg funds is or is being registered for public or limited offering of its shares, licensed or otherwise authorised to invest, (b) Shareholders are resident, domiciled or citizens or (c) service providers are located, hold or process their information and personal data.

The investors have the right to request a copy of the personal data held in relation to them, and to request that it be amended, updated or deleted as appropriate if incorrect. Any change to the consent of the investors should be notified in writing to Capital Group Investor Services. The investors further acknowledge that Capital Group Investor Services (as well as, where relevant, service providers, representatives or agents) may record all incoming and outgoing telephone calls.

## Issue of Shares

Shares are offered on each Valuation Date. Depending on Classes, the issuance of Shares is subject to certain conditions as detailed in "The Company and its Structure".

### Offering Price

The Offering Price on each Valuation Date is the corresponding Net Asset Value, potentially adjusted upwards or downwards as the case may be as described under "Swing pricing adjustment". Any applicable sales charge as described under "Expenses" may be added to such amount.

### Subscription Procedures and Settlement

Unless otherwise provided in the subsequent sections:

- Payment of subscription amounts must be made in any available Payment Currency as specified under "The Classes". Shares will be issued in that same Payment Currency, unless specifically instructed otherwise by the investor, who may in this case incur currency exchange costs. Subscription amounts received in any convertible currency other than an available Payment Currency will generally be converted by the Administrative Manager

before being invested in Shares, on behalf of the investor and at his expense and risk, into a the Company's Base Currency. The subscription will then take place in the Company's Base Currency.

- Shares will be issued only after (i) the investor has opened an account with the Company (see "Account Opening" above), (ii) a completed and valid Transaction Request Form (available from the Company, the Management Company, the Administrative Manager or Distributors upon request) has been received not later than the Cut-Off Time on a Valuation Date (subject to the subsequent paragraph regarding subscriptions with a value greater than USD 50 million or equivalent<sup>2</sup>), and (iii) the subscription has been accepted by the Management Company. The Payment Due Date is the third Week Day after the relevant Valuation Date (subject to the subsequent paragraph regarding subscriptions with a value greater than USD 50 million or equivalent<sup>2</sup>).
- In the event of a subscription on any Valuation Date for Shares with a value greater than USD 50 million or equivalent<sup>2</sup>, Shares will only be issued after (i) the investor has opened an account with the Company (see "Account Opening" above), (ii) a completed and valid Transaction Request Form has been received not later than the Cut-Off Time on a Subscription Pre-notification Date and (iii) the subscription has been accepted by the Management Company. The Payment Due Date is no later than on the relevant Valuation Date. The Management Company may, at its discretion, require that the payment of such large subscription be made in the Base Currency of the Company.
- When the amount of funds received is less than the amount (or than the value of the number of Shares) specified in the Transaction Request Form, Shares will be issued for the lower amount.
- Shares will be issued as of the Cut-Off Time on the Valuation Date on which the above requirements are fully met, at the Net Asset Value, potentially adjusted upwards or downwards as the case may be as described under "Swing pricing adjustment", determined as of the corresponding Valuation Date.
- A subscription request may not be withdrawn or amended by the investor after the Cut-Off Time of the relevant Valuation Date or Subscription Pre-notification Date (the Management Company may however, at its discretion, decide on an exceptional basis to accept subscription requests and/or to agree to withdraw or amend subscription requests after the Cut-Off Time of the relevant Subscription Pre-notification Date provided that (i) the request for such an exception has been submitted to the Management Company or the Administrator Manager before the Cut-Off Time of the relevant Valuation Date, (ii) the Management Company is satisfied that the request has been submitted in good faith, (iii) the Shareholder has no historical pattern of similar requests and (iv) the request is not part of trading activity that the Management Company has determined could involve actual or potential harm to the Company).

By investing, any investor irrevocably:

- undertakes to procure payment in one of the available Payment Currencies (or in the Base Currency of the Company, at the Management Company's request, in the event of a subscription with a value greater than USD 50 million or equivalent<sup>2</sup>, pursuant to the above) no later than the relevant Payment Due Date;
- authorises and instructs the Management Company to, at its discretion, in the event that any Shares remain unpaid on or after the relevant Payment Due Date, redeem any fully-paid Shares that the Shareholder may already hold, and/or any of the unpaid Shares, and to use the proceeds of such redemption(s) to cover any amount remaining due to the Company with respect to the unpaid Shares plus any reasonable related late-payment and other costs; and
- acknowledges that such investor will remain liable to the Company for the payment of any unpaid subscription amount and other costs (including interest) not fully covered by such redemption proceeds.

### **Class Selection**

If the Management Company determines that the investor is not eligible for the selected Class, the Management Company may reject the investor's subscription.

### **Subscriptions made with the assistance of Distributors and other Intermediaries**

Distributors and other Intermediaries may apply different subscription procedures, including an earlier dealing cut-off time, to subscriptions for Shares made with their assistance, as detailed under "Distributors and other Intermediaries".

### **Subscription in Kind**

The Management Company may, at its discretion, allow an investor to settle its subscription by contributing securities acceptable to the Company, subject to the requirements of Luxembourg law, in particular, a valuation report by the Company's auditor confirming the value of the contributed assets. Only securities that are in compliance with the Company's investment policy and restrictions at the relevant time, as determined by the Management Company at its sole discretion, may be contributed. The costs of such contribution of securities will usually be borne by the investor; however, the Company may bear them provided it is satisfied that such costs are lower than the cost of investing the corresponding cash amount.

### **Subscriptions Deferral**

If, on any Valuation Date, the Company receives subscription(s) for Shares with a combined value of 5% or more of its total net assets, the Management Company will have the right to defer such subscription(s) in excess of 5% of its total net assets, pro rata to the outstanding subscription requests, until the next or subsequent Valuation Date(s). The investors concerned will be promptly informed of this decision and will have the right to withdraw their subscription request, or the portion thereof that was deferred, by notifying the Management Company at the latest on the Business Day following such notification before the Cut-Off Time. In the case of deferral of subscriptions, the relevant Shares will be issued at the Net Asset Value, potentially adjusted upwards or downwards as the case may be as described under "Swing pricing adjustment", determined as of the Valuation Date corresponding to the Valuation Date on which the subscription, or the relevant portion thereof, is effected.

### **Rejection Privilege**

The Company, the Management Company and Distributors reserve the right to reject any application for subscription at their discretion, without giving any reason. In particular, subscriptions that are part of trading activity that the Company, the Management Company or a Distributor have determined could involve actual or potential harm to the Company, as further detailed under "Protection Against Improper Trading Practices", may be rejected. The

<sup>2</sup> Unless a lower amount is approved by the Company's Board of Directors of the Company. Different investment minima may apply if Shares are purchased with the assistance of a Distributor, as further detailed under "Distributors and other Intermediaries".

Company or the Management Company may also refuse to accept any application for subscription if the Company reaches a size that could impact the ability to find suitable investments for the Company. If an application is rejected, the subscription amount will be returned, without interest, as soon as practicable following the date of rejection, by banker's draft or electronic transfer, at the applicant's expense and risk.

## Redemption of Shares

### Standard Redemption Procedure

- For any redemption with a value lower than USD 50 million or equivalent (less any applicable redemption charge as described under "Expenses"), shares will be redeemed by the Company at the relevant Net Asset Value, potentially adjusted upwards or downwards as the case may be as described under "Swing pricing adjustment", determined as of the Valuation Date on which a valid written request is received from a Shareholder not later than the Cut-Off Time.
- For any redemption with a value greater than USD 50 million or equivalent, Shares will be redeemed by the Company at the relevant Net Asset Value, potentially adjusted upwards or downwards as the case may be as described under "Swing pricing adjustment", determined as of the relevant Valuation Date provided that a valid written request is received from a Shareholder on the relevant Redemption Pre-notification Date, not later than the Cut-Off Time<sup>3</sup>.

Transaction Request Forms must be used for this purpose; these are available from the Company, the Management Company, the Administrative Manager or Distributors upon request.

Provided that the Shareholder has provided the Management Company or the Administrative Manager with all required account opening documentation, as described under "Account Opening" above, except if otherwise provided herein, payment will normally be made:

- to the redeeming Shareholder only; and
- in the Payment Currency used for the Shareholder's original subscription, unless the redeeming Shareholder elects to receive the redemption amount in a different available Payment Currency as specified under "The Classes", in which case the amount will be converted by the Administrative Manager into such currency at such Shareholder's expense and risk (although if, in its opinion, payment in such currency is either not reasonably practical or prejudicial to the remaining Shareholders, the Company may in exceptional circumstances pay in any convertible currency of its choice); and
- no later than the fourth Week Day after the Valuation Date on which the relevant Shares were redeemed or (i) if payments in the relevant currency cannot settle on such date, on the next Week Day on which the payment can settle, or (ii) if the final transaction amount, when placing an order in number of Shares, cannot be confirmed in due course, on the Week Day immediately following this confirmation; and
- by electronic bank transfer to the account designated for this purpose (including all necessary details as specified in the Transaction Request Form) by the redeeming Shareholder in this redemption request.

### Redemptions made with the assistance of Distributors and other Intermediaries

Distributors and other Intermediaries may apply different redemption procedures, including an earlier dealing cut-off time, to redemptions of Shares made with their assistance, as detailed under "Distributors and other Intermediaries".

### Redemptions Deferral

The Company will not be bound to redeem on any Valuation Date or in any period of four consecutive Valuation Dates, more than 10% of the total net assets of the Company, respectively, on such Valuation Date or at the commencement of such period. In this event, the limitation will apply pro rata so that all redemption applications to be processed on a Valuation Date to which such limitation applies will be processed in the same proportion. However, redemptions may be deferred for not more than five consecutive Valuation Dates after the date of receipt of the redemption request, subject to a suspension of determination of Net Asset Value as referred to above. In the case of deferral of redemptions, the relevant Shares will be redeemed at the Net Asset Value, potentially adjusted upwards or downwards as the case may be as described under "Swing pricing adjustment", determined as of the Valuation Date on which the redemption, or the relevant portion thereof, is effected. If redemption(s) are deferred, the Management Company will inform the Shareholder(s) concerned, who will have the right to withdraw their redemption request, or the portion thereof that was deferred, by notifying the Management Company at the latest on the Business Day following such notification, before the Cut-Off Time.

### Compulsory Redemption

The Company may compulsorily redeem part or all of the holding of a Shareholder in the event that:

- a redemption results in the holding of the redeeming Shareholder falling below the applicable minimum;
- a transfer of Shares on the secondary market results in such Shares being held in breach of any applicable requirements;
- the Company has issued Shares to an investor but the subscription remains unpaid on or after the Payment Due Date;
- ownership by the Shareholder is based on the provision of false information and/or results in a breach of any applicable requirements; or
- ownership by the Shareholder would adversely affect in any manner the Company or any Class or the Management Company or the Investment Advisers, in the Company's sole judgment, including as a result of FATCA (see "Taxation" section).

<sup>3</sup> The Management Company may however, at its discretion, decide to accept redemption requests and/or to agree to amend redemption requests after the Cut-Off Time of the relevant Redemption Pre-notification Date provided that (i) the new request has been notified to the Management Company or the Administrative Manager before the Cut-Off Time on the relevant Valuation date, (ii) the Management Company has determined that this request has been submitted in good faith, (iii) the Shareholder has no historical pattern of similar requests and (iv) this request is not part of trading activity that the Management Company has determined could involve actual or potential harm to the Company. Transaction Request Forms are available from the Company, the Management Company, the Administrative Manager or Distributors upon request.

## Redemption in Kind

The Company may, at its discretion and if the Shareholder requesting redemption so accepts, satisfy payment of the redemption price in kind by allocating to such Shareholder assets from the Portfolio equal in value to the value of the Shares to be redeemed. The nature and type of such assets will be determined at the Company's discretion with the assistance of the Management Company on a fair and reasonable basis and without prejudicing the interests of the other Shareholders. The costs of such allocation of securities will normally be borne by the redeeming Shareholder; however, the Company may bear them provided it is satisfied that such costs are lower than the cost of selling the relevant assets.

## Redemptions in Proceeds of the Sale of Segregated Assets

Notwithstanding the foregoing, the Company may, having regard to the fair and equal treatment of Shareholders, on receiving on any Valuation Date requests to redeem Shares amounting to more than 10% of the total number of Shares outstanding, on such Valuation Date, elect to sell assets of the Company representing, as nearly as practicable, the same proportion of the Company's assets as the Shares for which redemption applications have been received bear to the total of Shares then in issue.

If the Company exercises this option, then the amount due to Shareholders who have applied to have their Shares redeemed, will be equal to their proportionate share of the proceeds of such sale (which may differ from the amount resulting from the Net Asset Value at the time of exercise of such option). Payment will be made forthwith upon the completion of the sale, the receipt by the Company of the proceeds of sale in a freely convertible currency and the conversion of such currency, where relevant, into the appropriate Class currency at the then prevailing rate. Such payment may, however, not be possible within the usual time frame.

## Value of the Shares Redeemed

The value of the Shares at the time of redemption may be more or less than the amount initially invested by the Shareholder, depending on the market value of the securities and other assets held by the Company at that time.

## Transfer of Shares

A Shareholder may request the transfer of all or part of all of his Shares to another person. The transfer may only be processed provided the transferor and the transferee fulfil the same minimum holding, identification and other requirements as apply, respectively, to a redemption and a subscription of Shares of the relevant Class (see "Issue of Shares" and "Redemption of Shares" as well as "Restrictions on Ownership"). No sales or redemption charges (as described under "Expenses") will generally be levied in this context. Distributors and other Intermediaries may apply different transfer of Shares procedures.

## Distributors and other Intermediaries

Individual investors are encouraged to invest with the assistance of a Distributor, of which the Management Company will provide details upon request.

Distributors and other Intermediaries may apply different procedures to accounts opened and transactions in Shares made with their assistance, including earlier dealing cut-off times or different settlement periods, from those provided for under "Account Opening", "Subscription of Shares" and "Redemption of Shares". Each Distributor or other Intermediary will inform investors of the procedures relevant to them. Investors should note that they may be unable to open accounts or to transact in Shares on days on which the Distributor or other Intermediary is not open for business.

In addition, Distributors and other Intermediaries may apply different investment minima from those provided for under "The Company and its Structure" to investments made with their assistance; each Distributor or other Intermediary will inform investors of the investment minimum applicable to them. The Management Company generally does not apply the subscription charge described under "Expenses", or applies it at a reduced rate, to investments made with the assistance of a Distributor or other Intermediary.

Distributors and other Intermediaries are solely responsible for these actions, and by investing on behalf of investors, undertake and represent, in particular, that they will at all times:

- comply with the terms of this Prospectus;
- assess the suitability and/or the appropriateness of such investment for prospective purchasers of Shares and provide their clients with appropriate investment advice in relation to any investment in Shares, including the relevant KIID and any specific information regarding the Company and/or the Class in which the prospective purchaser will invest;
- verify the identity of investors and their beneficial owners investing in the Company by applying client identification procedures deemed by the Administrative Manager as equivalent to those required under Luxembourg laws and regulations and be properly and professionally organised to assume such duties;
- protect the Company against any breaches of the "Restrictions on Ownership";
- comply with all applicable laws, including, without limitation, local laws applying to the Distributors and other Intermediaries and to the provision of advertising or other promotion or sales material to the public in the relevant jurisdiction, as well as local fund registration requirements;
- protect the Company against improper trading practices, as detailed under "Protection Against Improper Trading Practices"; and
- to the full extent required by applicable law, disclose to their clients, and where required obtain their clients' consent on, the existence, nature and amount of their compensation, relinquish such compensation to such clients or, as applicable, refrain from accepting any distribution fee or other cash rebate unless expressly permitted under local laws and regulations.

## Restrictions on Ownership

Ownership of Shares by any person, firm or corporate body including, but without limitation, any US Person and any US citizen may be restricted or prohibited (including, if relevant, by compulsorily redeeming Shares held). Shares may not be transferred except in compliance with all applicable securities laws. The Company may, subject to the above, sell to, accept to register the transfer of its Shares to, and allow continued ownership by, a US Person and a US citizen under certain very limited circumstances.

The Company will not accept to issue Class A7, Class A9, Class A11, Class C, Class Cd, Class I, Class Id Shares, or give effect to any transfer of such Shares, to persons or companies who may not be considered Institutional Investors. The Company will, at its full discretion, refuse the issue or transfer of such Shares, if there is not sufficient evidence that the person or the company to which such Shares are sold or transferred is an Institutional Investor; in such a case, the Company will issue Shares to the subscriber or transferee in the nearest similar available Class, as detailed under "The Company and its Structure".

### Commodity Futures Trading Commission Disclosure

To the extent that the Company trades swaps, futures, commodity options contracts and other instruments regulated by the U.S. Commodity Futures Trading Commission (the "CFTC"), such investments are not intended to comprise a significant portion of the Company's total investments. The Management Company, the Board of Directors of the Company, and the Investment Advisers either qualify for exemptions from registration, or are otherwise excluded from, the requirements under the U.S. Commodity Exchanges Act, as amended (the "Commodity Exchange Act" or "CEA") and the regulations promulgated thereunder (the "CFTC Regulations").

The Management Company is the commodity pool operator ("CPO") of each Fund under the CEA, but it is not registered as such under the CEA. This is because CFTC Regulation 4.13(a)(3) exempts the Management Company from compliance with the requirements applicable to registered CPOs with respect to each Fund given that, among other required elements, each Fund is operated pursuant to the following criteria: (1) Shares are exempt from registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and such Shares are offered and sold without marketing to the public in the United States, (2) each participant in each Fund is an "accredited investor" as defined in Rule 501 of Regulation D under the Securities Act or a "qualified eligible person" as defined in CFTC Regulation 4.7(a)(2)(viii)(A) (which includes "Non-United States persons" as defined in that section), and (3) at all times, each Fund will meet either of the de minimis tests set forth in such exemption with respect to its commodity interest positions, including positions in security futures products, whether entered into for bona fide hedging purposes or otherwise. Therefore, unlike a registered CPO, the Management Company, the Board of Directors of the Company and the Investment Advisers are not required to deliver a CFTC disclosure document or a certified annual report to the Company's investors.

Additionally, none of the Management Company, the Investment Adviser or the Sub-Advisor is registered as a commodity trading advisor ("CTA") under the CEA in reliance on exemptions from registration. As a result, Shareholders will not receive the disclosure document a registered CTA is ordinarily required to provide.

## Protection Against Improper Trading Practices

### Late Trading

In order to protect the Company against arbitrage opportunities, investors are not allowed to place transactions at a known Net Asset Value. Transaction instructions received on behalf of the Company after the Cut-Off Time will therefore not be given effect before the next Valuation Date.

### Excessive Trading and Market Timing

The Company is a long-term investment vehicle, and intends to protect the interests of its long-term shareholders. It may not be used by investors to serve as a vehicle for frequent and/or short-term trading, and it does not permit practices related to market timing. As prescribed by Luxembourg laws and regulations, the Management Company monitors investor transactions in order to prevent and/or detect excessive trading and market timing practices. Distributors and other Intermediaries undertake, by promoting the Shares, to take similar measures with respect to their clients and to refrain from submitting to the Company transactions that would appear to involve such practices. Subscriptions or switches that are part of trading activity that the Management Company or a Distributor or other Intermediary have determined, in their discretion, could involve actual or potential harm to the Company, and/or from investors who the Management Company or a Distributor or other Intermediary suspects of using excessive trading or market timing practices, may be rejected. In addition, where short-term and/or excessively frequent trading patterns and/or market timing practices have been identified, the Management Company may take appropriate measures to protect the interests of the Shareholders.

## Taxation

### The Company

Under current law and practice, the Company is not liable to any Luxembourg income tax.

The Company is liable in Luxembourg to a tax, which is payable quarterly, of 0.05% per annum of the total net assets of each Class, provided that this tax is not applied to, and is not payable on, investments of the Company in other Luxembourg UCIs. However, a reduced tax rate of 0.01% in respect of Class A7, Class A9, Class A11, Class C, Class Cd, Class I and Class Id Shares thereof as provided by the Law in respect of Classes wholly held by Institutional Investors will be sought. 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.

No stamp duty or other tax will be payable in Luxembourg on the issue of Shares except an initial tax of €1,250 which was paid upon incorporation. Under current law and practice, no capital gains tax is payable in Luxembourg on the realised or unrealised capital appreciation of the assets of the Company.

Dividends, interest and capital gains on the Portfolio securities may be subject to withholding taxes imposed by the jurisdictions in which the securities are issued or held, and it is not expected to recover such taxes in full.

## Shareholders

### General

Under current law and practice Shareholders (other than Shareholders domiciled, resident or having a permanent establishment in Luxembourg and certain former residents of Luxembourg) are not subject to any capital gains, income, inheritance or other taxes in Luxembourg, except as described below.

The Company may qualify as US passive foreign investment companies (PFIC) for US tax purposes, which may have adverse tax consequences to US taxpayers. The Company and its Investment advisers do not assess nor mitigate such tax consequences. Prospective investors should consult their own independent tax advisers.

It is the responsibility of prospective investors and Shareholders to inform themselves as to the tax and other consequences to them of buying, holding, selling (or otherwise transferring) or redeeming Shares under the laws of the State(s) in which they are or may be taxable, including any applicable information reporting obligations.

### Automatic exchange of financial account information

The European Union as well as the international community through the OECD have developed sets of rules aiming at implementing automatic exchange of financial account information among states (Directive on Administrative Cooperation in the field of Direct Taxation, as amended, and "Common Reporting Standard" (hereafter "CRS")). On 29 October 2014, Luxembourg signed a multilateral agreement, which establishes an automatic exchange of tax information between the tax departments of the different partner jurisdictions. Luxembourg funds are required to comply with the relevant Luxembourg law implementing this agreement since 1 January 2016. They are obliged to collect certain information about the tax residency and tax classification of each investor and to report relevant financial information on shareholders accounts to the Luxembourg tax authorities, who intend to commence information sharing on certain cross border investors from the participating jurisdictions in 2017.

### Foreign Account Tax Compliance Act (FATCA)

Pursuant to the U.S. Foreign Account Tax Compliance Act ("FATCA") of the US Hiring Incentives to Restore Employment ("HIRE") Act, and in order to avoid a U.S. withholding tax being imposed on U.S. source income and proceeds of disposition received by the Company, the Company is registered deemed compliant Foreign Financial Institution ("FFI") under FATCA and the equivalent Luxembourg domestic law following the signing of an Inter-Governmental Agreement ("IGA") with the US Treasury.

The Company will take any actions necessary to comply with this status, including, but not limited to, fulfilling the reporting and/or withholding obligations. In this context, Shareholders of the Company may be required to provide identity, residency and citizenship information to the Company, which, for those who meet the criteria of a reportable account under FATCA, will be provided by the Company to the Luxembourg tax authorities and subsequently to the U.S. tax authorities together with annual income and transaction information.

By investing in the Company and providing the Company with their identity and residency information, the Shareholders will be deemed to have consented to the Company disclosing such information to U.S. tax authorities. In addition, Shareholders that are distributors or financial intermediaries will be required, as FFI, to provide evidence of their FATCA compliant status (Participating FFI, Deemed Compliant FFI or exempt). If a Shareholder does not provide such requested information and documentation in a timely manner, he will qualify as "recalcitrant account" or "non-participating FFI", and, in addition to its reporting obligations the Company may have to withhold the 30% tax on the payments processed to his account and/or redeem securities held by the Shareholder on account of the Shareholder.

As a result of these regulations, the Company, the Management Company and the Administrative Manager may be obliged to collect and transmit to relevant tax authorities Shareholders' financial account information as appropriate.

## Liquidation and Dissolution

With the consent of Shareholders, the Company may be liquidated. This will be carried out in accordance with Luxembourg Company law and any monies not claimed will be deposited, pursuant to Article 146 of the Law at the "Caisse de Consignation" in Luxembourg. With the consent of Shareholders, the Company may further be liquidated with the provision that the liquidator will transfer all assets and liabilities of the Company to a UCITS against issue to existing Shareholders of the Company of shares or certificates of such UCITS proportional to their shareholding in the Company.

Liquidation of one Class may be approved by the Board of Directors of the Company and/or by a resolution at a separate Class meeting of Shareholders of the Class concerned. Any monies not claimed will be deposited with the "Caisse de Consignation" in Luxembourg. One Class may be liquidated by contributing into another Class or into another UCITS. Details with respect to the liquidation and merger procedures can be found in the Articles of Incorporation.

If the net assets of the Company fall below either of the following minima, the Board of Directors of the Company must submit the question of the dissolution of the Company to a general meeting of Shareholders (for which no quorum is prescribed) which must decide by the applicable proportion of the Shares represented at the meeting, as specified below:

- (a) (i) Minimum – two-thirds of the minimum capital (presently €1,250,000).
- (ii) Proportion of Shares – simple majority.
- (b) (i) Minimum – one quarter of the minimum capital.
- (ii) Proportion of Shares – one quarter.

Each such meeting must be convened so as to be held within 40 days after ascertaining that the net assets have fallen below either of the above minima.

## Capital International Emerging Markets Fund – General and Corporate Information

Principal and registered office:  
6C, route de Trèves, L-2633 Senningerberg, Grand-Duchy of Luxembourg  
Trade and Companies Register of Luxembourg: B 33347

### The Company

The Company was incorporated as a SICAV on 22 March 1990 under Part II of the Law and on 30 June 1999 its structure was changed to meet the requirements of Part I of the Law. Its Articles of Incorporation, as amended, were published in the Mémorial Recueil Spécial of the Grand Duchy of Luxembourg on 27 April 1990, 28 August 1999, 28 February 2007 and 20 January 2012.

### Mailing address of the Company

Capital Group Investor Services  
P.O. Box 167  
6C, route de Trèves  
L-2633 Senningerberg  
Luxembourg

### The Board of Directors of the Company

The Company's Board of Directors is ultimately responsible for the management and administration of the Company, including the determination of its general investment policies. The Directors of the Company are:

**Luis Freitas de Oliveira (Chairman)**

Capital International Sàrl  
Geneva, Switzerland

**Thomas Hogh**

Capital Research Company  
London, United Kingdom

**Joanna Jonsson (Vice Chairman)**

Capital Research Company  
Los Angeles, USA

**Maurizio Lualdi**

Capital Research Company  
London, United Kingdom

**Mark Brubaker**

Capital Research & Management Company  
Los Angeles, USA

**Michael Thawley**

Capital Strategy Research, Inc.  
Los Angeles, USA

The Directors are all employees of the Capital Group (of which the Management Company and Investment Advisers are part).

### Accounting Year of the Company

The accounting year of the Company begins on 1 July, and terminates on 30 June in each year.

### Shareholders Meetings of the Company

The Company's Annual General Meeting of Shareholders is held at the registered office of the Company in Luxembourg on the last Thursday of October in each year at 2:00pm or, if any such day is not a Business Day, on the next Business Day. Convening notices and all other legal notices are given in accordance with Luxembourg law and the Articles of Incorporation.

### The Management Company

The Board of Directors of the Company has appointed Capital International Management Company Sàrl ("CIMC") pursuant to a Management Company Agreement dated 1 February 2013 to carry out the functions of management of the Company as prescribed in Annex II of the Law.

The Management Company shall be responsible for the investment management, the administration and the implementation of the Company's distribution and marketing functions as prescribed in Annex II of the Law.

The Management Company has been permitted by the Company to delegate, under the Management Company's supervision and control, certain administrative, distribution and management/services functions to Affiliates or service providers. The delegations shall not prevent the effectiveness of supervision by the Management Company.

The Management Company was incorporated under the Laws of Luxembourg on 28 September 1992 and has a share capital of EUR 2.2 million. CIMC is authorised as a management company under Part 4 chapter 15 of the Law. Its Articles of Incorporation have been amended for the last time on 3 December 2012 and were published in the Mémorial Recueil Spécial of the Grand Duchy of Luxembourg on 19 December 2012.

The Company and the Management Company have appointed various providers to provide services, including those required by the Law, and may appoint providers of additional services by means of agreements that, unless otherwise required by law, will be governed by Luxembourg law.

### The 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

Subject to the overall control of the Management Company and ultimate responsibility of the Board of Directors of the Company, CII and CISA, both wholly owned subsidiaries of Capital Group International, Inc., which, in turn, is wholly owned by Capital Group, will serve as the Investment Advisers of the Company pursuant to Investment Advisory Agreements dated 22 March 1990 and 1 July 2011, as amended, respectively. CISA has responsibility for investing the Company's assets globally outside of the People's Republic of China and CII has primary responsibility for investing the Company's assets in the People's Republic of China.

CII was incorporated on 16 December 1987 in the State of California, USA and CISA was incorporated on 5 July 1963 in Geneva, Switzerland.

The Affiliates manage substantial portfolios for a wide range of international clients. These portfolios are invested in worldwide equity and fixed income securities. CII and CISA have access to the research of certain Affiliates. The Capital Group is one of the largest and oldest investment management organisations in the United States. The Capital Group and its Affiliates maintain offices in the United States of America, Switzerland, England, Hong Kong, Japan, Canada, Singapore, India, China and Australia. The Investment Advisers may delegate, under their own responsibility, all or part of their duties and obligations (excluding investment advice) to any Affiliates. In particular, the Management Company may, from time to time, authorise any Affiliates to execute the Investment Advisers' investment decisions relating to the assets of the Company.

Such 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. 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.

### The Depositary and Custodian of the Company

J. P. Morgan Bank Luxembourg S.A.  
European Bank & Business Centre  
6C, route de Trèves  
L-2633 Senningerberg  
Luxembourg

The Company has appointed JP Morgan as Depositary and Custodian of the Company, by an agreement dated 22 March 1990, as amended, to provide depositary, custodial, settlement and certain other associated services to the Company. JP Morgan was incorporated in Luxembourg as a Société Anonyme on 16 May 1973 and has an undetermined duration.

The Depositary is responsible, in accordance with the Law, for ensuring that:

- the issue, redemption and cancellation of Shares is done according to the Law and the Articles of Incorporation;
- the value of the Shares is calculated in accordance with the Law and the Articles of Incorporation;
- the instructions of the Company or the Management Company are carried out unless they conflict with the Law and the Articles of Incorporation;
- the income produced by the Company is applied as specified in the Articles of Incorporation; and
- in transactions involving assets of the Company, the consideration is remitted to it within the usual time limits.

The Depositary is also responsible for the safekeeping and ownership verification of the assets of the Company, cash flow monitoring and oversight in accordance with the Law.

In order to provide depositary services according to the types of assets and the geographical regions the Company plans to invest in, the Depositary may entrust all or part of the assets held by the Company that it holds in custody to such sub-custodians as may be determined by the Depositary from time to time. Except as provided under applicable law, the Depositary's liability shall not be affected by the fact that it has entrusted all or part of the assets in its care to a third party.

As part of the normal course of global custody business, the Depositary may from time to time have entered into arrangements with other clients, funds or other third parties for the provision of safekeeping and related services. Within a multi-service banking group such as JPMorgan Chase Group, from time to time conflicts may arise between the Depositary and its safekeeping delegates, for example, where an appointed delegate is an affiliated group company and is providing a product or service to a fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related custodial products or services it provides to the funds, for instance foreign exchange, securities lending, pricing or valuation services. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will at all times have regard to its obligations under applicable laws including Article 25 of the Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS V Directive).

When selecting and appointing sub-custodians or other delegate, the Depositary shall exercise all due skill, care and diligence as required under the Law to ensure that it entrusts the Company's assets only to a delegate who may provide an adequate standard of protection.

The current list of sub-custodians used by the Depositary is available at [https://thecapitalgroup.com/eu/sub\\_custodians](https://thecapitalgroup.com/eu/sub_custodians) or may be obtained by Shareholders free of charge and from the Company upon request.

The Depositary is liable to the Company or its Shareholders for the loss of a financial instrument held in custody by the Depositary or any of its sub-custodians or delegates. The Depositary shall, however, not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary is also liable to the Company or its Shareholders for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its duties in accordance with the applicable law.

### The Administrative Manager and Paying Agent of the Company

J. P. Morgan Bank Luxembourg S.A.  
European Bank & Business Centre  
6C, route de Trèves  
L-2633 Senningerberg  
Luxembourg

The Management Company has appointed JP Morgan as Administrative Manager, by an Administration Agreement dated 22 March 1990, as amended, and as Paying Agent, by a Paying Agency Agreement dated 22 March 1990, as amended, to provide the Company with services as required by the Law. JP Morgan was incorporated in Luxembourg as a Société Anonyme on 16 May 1973 and has an undetermined duration.

## Authorised Agents and Country Paying Agents of the Company

Details of the Company's representatives and local paying agents in various countries can be obtained from the Company upon request. Investors are also invited to refer to any addendum to this Prospectus with additional information for investors in relevant jurisdictions.

## Distributors

The Company will provide details of current Distributors upon request.

## Auditors of the Company

PricewaterhouseCoopers Société Cooperative  
2, rue Gerhard Mercator B.P.  
1443 L-1014 Luxembourg  
Luxembourg

## Legal Advisers

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

## Reports and other Documents available for Investors

Audited annual reports will be made available to the Shareholders at the registered office of the Company and will be available online at [capitalgroup.com/international](http://capitalgroup.com/international). The Company may also make available abridged annual reports (comprising a report on activities, the auditor's report and the statements of net assets, operations and changes in net assets) to the Shareholders at their registered address, provided that the full reports are available to the Shareholders free of charge on request at the registered office of the Company.

Copies of the following documents may be obtained, free of charge, at the registered office of the Company:

- the Articles of Incorporation;
- the current Prospectus and relevant KIID; and
- the latest audited annual and unaudited semi-annual reports.

Copies of the following agreements, which are all governed by the laws of Luxembourg, are available for inspection during normal business hours at the registered office of the Company:

- the Investment Advisory Agreements;
- the Depositary and Custody Agreement;
- the Paying Agency Agreement; and
- the Administration Agreement.

## Transmission of investor data

The Management Company may authorise the Administrative Manager to send investor contract notes, valuation statements, dividend vouchers and any other correspondence (together "Investor Correspondence") electronically in encrypted pdf format to Shareholders and/or Distributors and other Intermediaries at email addresses provided by such investors for the purpose of receiving such Investor Correspondence, as per expressed instruction from Shareholders and/or Distributors and other Intermediaries through Account Opening Forms and maintenance forms.

Please also note that although electronic messages will be password protected, email communication is not a secure medium or error free and can contain viruses or other defects and may be delayed. The Management Company and/or the Administrative Manager is not liable for any of these occurrences, and makes no warranties in relation to these matters. The sender reserves the right to monitor, record, transfer cross border and retain electronic messages. If you are not comfortable with the risks associated with electronic messages, you may decide not to select the email option in the Account Opening Forms and account maintenance forms.

## Remuneration policy

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://www.thecapitalgroup.com/eu/remuneration\\_policy](https://www.thecapitalgroup.com/eu/remuneration_policy). 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.

## Annex A: Investment Restrictions

Subject to the Company's Article of Incorporation and to this Prospectus, the following provisions will apply:

### I. Eligible Assets

1. The Company will invest exclusively in:

- (i) transferable securities and money market instruments of issuers domiciled and/or having their principal place of business in an Eligible Country which has been designated as Qualified Developing Country, which are admitted to Official Listing;
- (ii) transferable securities and money market instruments of issuers domiciled and/or having their principal place of business in an Eligible Country which has been designated as Qualified Developing Country, which are dealt in on another Regulated Market;
- (iii) transferable securities and money market instruments having been recently issued by issuers domiciled and/or having their principal place of business in an Eligible Country which has been designated as a Qualified Developing Country provided that the terms of issue include an undertaking that they will meet either of the above requirements within a year of the issue;
- (iv) transferable securities of issuers which are domiciled and/or have their principal place of business in a Developing Country which has not been designated as Qualified Developing Country but that (A) have or will have substantial assets in an Eligible Country which has been designated as Qualified Developing Country and/or (B) derive or expect to derive a substantial proportion of their total revenues or profits from either goods and services produced in, or sales made in an Eligible Country which has been designated as Qualified Developing Country, provided that (1) such securities are admitted to official listing on a recognised stock exchange or dealt with on a Regulated Market and (2) the total value of such securities does not exceed 10% of the Company's net assets;
- (v) transferable securities of issuers which are neither domiciled nor have their principal place of business in a Developing Country but that (A) have or will have substantial assets in a Developing Country and/or (B) derive or expect to derive a substantial proportion of their total revenues or profits from either goods and services produced in, or sales made in a Developing Country, provided that (1) such securities are admitted to official listing on a recognised stock exchange or dealt with on a Regulated Market and (2) the total value of such securities does not exceed 10% of the Company's net assets, provided however that this 10% limit will not apply where the "substantial portion" referred to above is at least equal to 75%;
- (vi) other money market instruments that are liquid and can be accurately valued on each Valuation Date, if their issue or issuer is regulated for investors and savings protection, provided that they are issued by:
  - a. a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State, by one of the members making up the federation in a Federal state, or by a public international body to which one or more Member States belong; or
  - b. an undertaking, any securities of which are admitted to an Official Listing or dealt in on another Regulated Market; or
  - c. an establishment subject to prudential supervision in accordance with European Community law or to rules at least as stringent.
- (vii) other transferable securities and money market instruments provided that their total value does not exceed 10% of the Company's net assets; or
- (viii) debt instruments which, because of their characteristics are treated as equivalent to transferable securities and which are, inter alia, transferable, liquid and capable of accurate valuation provided that their total value does not exceed 10% of the Company's net assets.

Provided always that the total of investments referred to in paragraphs (vii) and (viii) above does not under any circumstances exceed more than 10% of the Company's net assets.

- (ix) units of other UCITS or UCIs, whether situated in a Member State of the European Union or not, provided that no more than 10% of the assets of the UCITS or of the UCIs (or of the assets of the relevant sub-fund) can, according to its constitutional documents, be invested in aggregate in units of other UCITS or other UCIs;
- (x) deposits with credit institutions that are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve months, provided that the credit institution (a) has its registered seat in a Member State or (b) is subject to prudential rules equivalent to those laid down in European Community law.
- (xi) financial derivative instruments, including equivalent cash-settled instruments, admitted to an Official Listing or dealt in on a Regulated Market, and/or OTC Derivatives provided that:
  - a. the underlying consists of instruments described in paragraphs (i) to (x), financial indices, interest rates, foreign exchange rates or currencies to which the Company may gain exposure to in accordance with its investment policy,
  - b. the counterparties to OTC Derivative transactions are institutions subject to prudential supervision and belong to the categories approved by the CSSF, and
  - c. the OTC Derivatives are subject to reliable and verifiable valuation on a daily basis, and sold, liquidated or closed by an offsetting transaction at the Company's initiative at any time.

2. Under the conditions laid down by law, regulations and administrative practice,

- for the purpose of efficient portfolio management, and/or
- in order to achieve the most appropriate currency distribution

the Company may use financial derivative instruments authorised by Luxembourg law or CSSF circulars and in particular, but not exclusively, with the objective of reducing the risk of the depreciation in the value of specific currencies, techniques and instruments relating to currency hedging, including cross hedging (i.e. the sale of a currency for another currency, both other than the Company's base currency) and proxy hedging (i.e. the sale of a currency for another, easier to trade currency which is linked or closely correlated to it), in particular forward currency sales

- (i) not exceeding, for each currency, 95% of the value of the Company's assets denominated in, and/or directly exposed to the risk of, such currency, and
- (ii) when in respect of bonds for terms not exceeding their maturities; provided that these sales are on a mutual agreement basis with first class financial institutions specialised in this type of transaction.

However, the Company does not intend to systematically hedge currency exposures back to any currency.

## II. Investment Limits Applicable to Eligible Assets

3. No transferable securities or money market instruments will be purchased if, as a result of such purchase:

- (i) the Company would hold more than 10% of any class of securities of any issuer, or the Company would hold shares carrying voting rights that would enable it to take legal or management control or exercise significant influence over the management of the issuing body; or
- (ii) more than 10% of the Company's net assets would be invested in transferable securities or money market instruments issued by the same issuer, and more than 40% of its net assets would be invested in issuers in each of which more than 5% of such assets are invested. These limits may not be aggregated. The above 10% limit is increased to 35% in respect of securities which are issued or guaranteed by a Member State, its local authorities or by any other State or by public international bodies of which one or more Member States are members, such securities not being included in the calculation of the limit of 40% referred to above.

**Notwithstanding sub-paragraph (ii) above, the Company is authorised to invest up to 100% of its net assets, in accordance with the principle of risk spreading, in transferable securities issued or guaranteed by a Member State, by its local authorities, or by any other State or by public international bodies of which one or more Member States are members, provided that the Company must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the total net assets of the Company.**

- (iii) more than 10% of the net assets of the Company would be invested in aggregate in UCITS and/or other UCIs. The terms and conditions of investments in undertakings for which the Investment Adviser or its Affiliates act directly or indirectly as investment adviser, which must be made in the best interest of the Company and its Shareholders, are reviewed under the Board of Directors' supervision. In order to avoid double-charging the Company, the portion of the assets of the Company invested in these undertakings is excluded from the basis of calculation of the advisory fee paid to the Investment Adviser and the corresponding amount is reimbursed to the Company periodically. In addition, the Company will not be charged any subscription or redemption fees. For the purpose of this provision, each sub-fund of a UCITS with multiple compartments shall be considered as a separate issuer, provided that the principle of segregation of liabilities of the different compartments is ensured in relation to third parties.
- (iv) the Company's investment must not exceed 20% of the units of a single UCITS or other UCI.
- (v) more than 20% of the net assets of the Company would be invested in deposits made with the same body.
- (vi) the Company's uncollateralized risk exposure to a counterparty in an OTC Derivative transaction would exceed 10% of its net assets when the counterparty is a credit institution referred to in sub-paragraph 1 (x) above, or 5% of its net assets in other cases.

The above ceilings do not apply in respect of transferable securities or money market instruments issued or guaranteed by a Member State, its local authorities, any other Eligible Investment State or a public international body of which one or more Member States are members.

(vii) the combination of the following instruments would exceed 20% of the net assets of the Company:

- a. transferable securities or money market instruments issued by a single body and subject to the 10% limit by body mentioned in sub-paragraph (ii) above; and/or
- b. deposits made with the same body and subject to the limit mentioned in sub-paragraph (v) above; and/or
- c. exposures arising from OTC Derivative transactions undertaken with the same body and subject to the 10%, respectively 5%, limits by body mentioned in sub-paragraph (vi) above.

(viii) the combination of the following instruments would exceed 35% of the net assets of the Company:

- a. transferable securities or money market instruments issued by a single body and subject to the 35% limit by body mentioned in sub-paragraph (ii) above; and/or
- b. certain debt securities (which are issued by credit institutions having their registered office in a Member State and which are subject, by law, to special public supervision designed to protect the holders of debt securities – in particular against the risk of counterparty default. In particular, sums deriving from the issue of such debt securities must be invested pursuant to the law in assets which, during the whole period of validity of such debt securities, are capable of covering claims attaching to the debt securities and which, in the event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest) issued by the same body; and/or
- c. deposits made with the same body and subject to the 20% limit by body mentioned in sub-paragraph (v) above; and/or
- d. exposures arising from OTC Derivative transactions undertaken with the same body and subject to the 10%, respectively 5%, limits by body mentioned in sub-paragraph (vi) above.

A company that is included in a group for the purposes of consolidated accounts, as defined in Directive 83/349/EEC or in accordance with recognized international accounting rules, is nevertheless regarded as a single distinct body for the purpose of calculating the above investment limits.

The Company may invest up to 20% of its net assets in transferable securities and/or money market instruments within the same group.

4. The Company's global exposure relating to derivatives must not exceed its total net assets. The global exposure to the underlying assets must not exceed the investment limits referred to in this section II. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with this paragraph 4. Exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the position.

If the above limitations are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, the Company's priority objective for its sales transactions must be to remedy that situation, taking account of the interests of Shareholders.

For defensive reasons, the assets of the Company may be held temporarily in securities of one, or a few, States and denominated in one, or a few, currencies.

### III. Liquid Assets

The Funds may hold ancillary liquid assets in various convertible currencies.

### IV. Unauthorised Investments

5. In addition the Company will not:
  - (a) make investments in precious metals, commodities or certificates representing them;
  - (b) purchase or sell real estate or any option, right or interest therein, provided that the Company may invest in securities secured upon real estate or interests therein or issued by companies which invest in real estate or interests therein;
  - (c) purchase securities on margin (except such short-term credit obtained as necessary for the clearance of purchases and sales of securities) nor make short sales of securities nor take short positions on money market instruments or other financial instruments;
  - (d) make loans out of or secured upon its assets or assume liability for any obligation or indebtedness of any third person;
  - (e) borrow, except as a temporary and extraordinary measure for purposes other than investment, and then not in excess of 10% of its net assets; and in any manner encumber securities it holds, except as necessary to secure borrowings allowed above and then not in excess of 10% of its net assets, provided that (i) the acquisition of securities in partly-paid form; and (ii) the purchase of foreign currency by means of a back-to-back loan, shall not be deemed to constitute a borrowing;
  - (f) make investments in any assets involving the assumption of unlimited liability;
  - (g) invest in the securities of issuers conducting their principal business activities in the same industry if, immediately after and as a result of such investment, more than 30% in aggregate of the Company's total net assets would be invested in such securities;
  - (h) invest in the securities of issuers that are domiciled and/or have their principal place of business in any one country if, immediately after and as a result of such investment, more than 35% in aggregate of its total net assets would be invested in such securities;
6. Notwithstanding the limitation in paragraph 5(d) above, the Company may enter into securities lending transactions provided the following rules are complied with:
  - (a) The Company may only participate in securities lending transactions within a standardised lending system organised by a recognised securities clearing institution or by a highly rated financial institution specialised in that type of transactions. In relation to its lending transactions, the Company must in principle receive security of a value which, at the conclusion of the lending agreement, must be at least equal to the value of the global valuation of the securities lent. This collateral must be given in the form of cash and/or of securities issued or guaranteed by Member States of the OECD or by their local authorities or by supranational institutions and organisations with EU, regional or worldwide scope and blocked in favour of the Company until termination of the lending contract.
  - (b) Lending transactions may not be carried out on more than 50% of the aggregate market value of the securities in the portfolio. This limit is not applicable where the Company has the right, at any time, to terminate the contract and obtain restitution of the securities lent.
  - (c) Lending transactions may not extend beyond a period of 30 days.
7. The Company may purchase securities on a when-issued basis, and it may purchase or sell securities for delayed delivery. These transactions occur when securities are purchased or sold with payment and delivery taking place in the future to secure what is considered an advantageous yield and price to the Company at the time of entering into the transaction. Sufficient cash (in the case of purchases) or securities (in the case of sales) will be blocked within the Portfolio in order to enable the Company to meet its obligation on payment and delivery date and satisfy redemption orders.
8. The United Nations Convention on Cluster Munitions was signed in December 2008 and came into force on 1 August 2010. It was ratified by the Luxembourg government through the law of 4 June 2009 that prohibits all use, stockpiling, production and transfer of cluster munitions. The law of 4 June 2009 also prohibits all persons, businesses and corporate entities from knowingly financing cluster munitions. The Investment advisers have implemented procedures to comply with the above obligations.

## Annex B: Qualified Developing Countries

Argentina	Mauritius
Bahrain	Mexico
Bangladesh	Morocco
Botswana	Nigeria
Brazil	Oman
Bulgaria	Pakistan
Chile	Peru
China PR	Philippines
Colombia	Poland
Croatia	Qatar
Czech Republic	Romania
Ecuador	Russia
Egypt	Saudi Arabia
Estonia	Serbia
Ghana	Slovenia
Greece	South Africa
Hong Kong	South Korea
Hungary	Sri Lanka
India	Taiwan (China)
Indonesia	Thailand
Jordan	Trinidad & Tobago
Kazakhstan	Tunisia
Kenya	Turkey
Kuwait	Ukraine
Lebanon	United Arab Emirates
Lithuania	Venezuela
Malaysia	Vietnam

## Additional information for Shareholders in the Federal Republic of Germany

Capital International Emerging Markets Fund has notified the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) of its intention to distribute shares in its sub-funds in the Federal Republic of Germany and has been authorized to distribute the shares in the Federal Republic of Germany upon completion of the notification procedure.

### Paying and Information Agent in the Federal Republic of Germany

J.P. Morgan AG  
Junghofstraße 14  
D-60311 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”).

### Documentation and Information

For Shareholders, resident in Germany the following documents are available, upon request, free of charge in hardcopy form, at the office of the German Paying and Information Agent:

- Prospectus
- Key Investor Information Documents
- Articles of Incorporation
- The latest annual report, and the most recent semi-annual report, if published thereafter.

Issue, redemption and conversion prices of shares and any other information to the Shareholders are also available, free of charge, from the German Paying and Information Agent. Issue, redemption and conversion prices of shares will furthermore be published on the following platform: [www.fundinfo.com](http://www.fundinfo.com).

Any notices to Shareholders will be sent by post to the Shareholders in the Federal Republic of Germany. In addition, notices to Shareholders will be published in accordance with § 298(2) of the German Investment Code (KAGB) on the fund’s website [thecapitalgroup.com/international](http://thecapitalgroup.com/international) in the following cases: suspension of the redemption of the shares, termination of the management of the fund or its liquidation, any amendments to the Articles of Incorporation which are inconsistent with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursement of expenses that may be paid or made out of the asset pool, merger of the fund with one or more other funds and the change of the fund into a feeder fund or the modification of a master fund.

The following documents are furthermore available free of charge to the Shareholders for inspection at the office of the German Paying and Information Agent during usual business hours:

- Investment Advisory Agreement
- Custody Agreement
- Paying Agency Agreement
- Administration Agreement

Applications for the redemption 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.

### Tax Reporting requirements in Germany up to 31 December 2017

Equity Gain (Aktiengewinn), Interim Profit (Zwischengewinn), Real Estate Gain (Immobilien Gewinn) and Accumulated Deemed Distributed Income (Akkumulierter Ausschüttungsgleicher Ertrag) are published on the platform [www.fundinfo.com](http://www.fundinfo.com).

A final reporting as at 31 December 2017 will be published. This reporting independent of the financial year end of the fund will be filed by 30 April 2018 using the same publication media as in previous years. From the perspective of the German tax authorities, investors will be deemed to realize a sale of all their shares on 31 December 2017. This will be considered as a taxable event; however, the notional capital gain or loss will not be taxed immediately. The tax will be payable in the event of a later redemption of fund shares.

### Tax Reporting requirements in Germany as from 1 January 2018

From 1st of January 2018, the German Investment Tax Act (“InvTA”) introduces a new regime abolishing the daily and annual tax figures calculated under the previous regime.

According to the new InvTA, investors will be taxed upon distributions and redemptions (realized capital gains) but also on a “Vorabpauschale”, lump sum prepayment. In order to generate a constant taxation over the years, investors will be taxed as of 1st of January each year on the “Vorabpauschale”, calculated according to a specific formula. This prepayment will be closely linked to the funds’ performance and distributions made to investors during the year. The lump sum prepayment will be limited to the funds’ performance (calculated as the variation between NAV per share as of 1st of January and 31st of December each year). If the funds’ performance is negative, then no taxation shall be triggered. In case of a distributing share class, investors will pay tax on the difference between the calculated lump sum prepayment and the fund distributions during the relevant year and only if the lump sum prepayment is higher than the distributions.

In case of redemption, the above described prepayment will be deducted from the taxable realized capital gains.

The new InvTA grants a partial tax exemption based on the investor categorization (ie. Private, business or corporate) and the funds’ classification under German rules.

The tax exemption rates vary based on the type of investor and the funds classification and is applicable upon distribution, redemption (capital gains) and lump sum prepayment.

Each fund classification may be found below:

Fund Name	Fund Classification
Capital International Emerging Markets Fund	Equity – "Aktienfonds"

### Risks due to specific tax reporting requirements in Germany

Upon the request of the German Tax Authorities, the company may have to prove the accuracy of the reported basis of taxation. The basis for the calculation of this data can be interpreted in different ways and no 100 % assurance can be given that the German Tax Authorities will accept, in every material aspect, the calculation method used by the company. This may lead the company to carry out corrections to the past tax reporting. Investors must be aware, that a correction of the past reporting, due to the rules of the German Investment Tax Act, can only be performed during the on-going fiscal year of the fund. Accordingly, the correction could either burden or benefit the investors who are invested in the fund at this point in time but were not invested at the point in time for which the taxable basis has been changed.

The information contained on this page does not constitute investment or tax advice and do not purport to deal with all of the tax consequences applicable to the funds or to all categories of investors, some of whom may be subject to special rules. Shareholders and potential investors are advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, residence, or domicile, and in the light of their particular circumstances.