**Fund Information**

**Fund inception:** April 30, 1998  
**Objective:** The fund’s investment objective is to provide long-term growth of capital.  
**Distinguishing characteristics:** Normally invests at least 80% of assets in growth-oriented stocks of companies around the world with market capitalization of $6.0 billion or less.  
**Types of investments:** Common stocks and other equity-type securities, such as preferred stocks, convertible preferred stocks and convertible bonds, and cash and equivalents.  

**Non-U.S. holdings:** Under normal market conditions, the fund will invest at least 40% of assets outside the U.S., including emerging markets.

---

**Portfolio Digest**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund assets (in $ millions)</td>
<td>3,654.5</td>
<td>4,315.0</td>
<td>3,876.9</td>
<td>4,231.5</td>
<td>4,160.5</td>
</tr>
<tr>
<td>Portfolio turnover (%)</td>
<td>43</td>
<td>33</td>
<td>40</td>
<td>36</td>
<td>28</td>
</tr>
</tbody>
</table>

**Holdings:** 270 (approximate number of companies/issuers as of most recent fiscal year-end)

**Weighted median market capitalization:** $3,713.00 million

---

**Figures shown are past results and are not predictive of results in future periods. Current and future results may be lower or higher than those shown. Unit prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. The variable annuities and life insurance contracts that use the series’ funds contain certain fees and expenses not reflected here. If such fees and expenses had been deducted, results would have been lower. For results reflecting contract-level fees and expenses, contact the insurance company that issues your contract or visit its website.**

---

**Expense Ratio**

| Fund expense ratio (%) | 0.99 |

---

**Portfolio Managers**

<table>
<thead>
<tr>
<th>As of most recent prospectus</th>
<th>Capital Group</th>
<th>Years in Profession</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bradford F. Freer</td>
<td>25</td>
<td>27</td>
</tr>
<tr>
<td>Claudia P. Huntington</td>
<td>44</td>
<td>46</td>
</tr>
<tr>
<td>Harold H. La</td>
<td>20</td>
<td>21</td>
</tr>
<tr>
<td>Aidan O’Connell</td>
<td>15</td>
<td>21</td>
</tr>
<tr>
<td>Gregory W. Wendt</td>
<td>32</td>
<td>32</td>
</tr>
</tbody>
</table>

---

**Average Annual Total Returns**

<table>
<thead>
<tr>
<th></th>
<th>Total Returns (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quarter to Date</td>
</tr>
<tr>
<td>Fund at net asset value (NAV)</td>
<td>4.39</td>
</tr>
<tr>
<td>MSCI All Country World Small Cap Index</td>
<td>1.69</td>
</tr>
<tr>
<td>Lipper Global Small-/Mid-Cap Funds Average</td>
<td>3.45</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Average Annual Total Returns (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3 Years</td>
</tr>
<tr>
<td>Fund at net asset value (NAV)</td>
<td>12.93</td>
</tr>
<tr>
<td>MSCI All Country World Small Cap Index</td>
<td>9.99</td>
</tr>
<tr>
<td>Lipper Global Small-/Mid-Cap Funds Average</td>
<td>11.61</td>
</tr>
</tbody>
</table>

**Fund’s annualized 30-day SEC yield (net):** -0.03% (for Class 1A shares at NAV as of 6/30/19)

---

**Investment Process**

Capital Group’s American Funds has helped investors since 1931 with a consistent approach that has led to consistent long-term results. The Capital System™ investment process divides funds into portions that are managed independently by investment professionals with diverse backgrounds and approaches, backed by an extensive global research effort.

Since 1984, American Funds Insurance Series (AFIS) funds have brought The Capital System process to variable insurance products for investors pursuing retirement and other long-term investment goals.

---

**Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value. Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses and summary prospectuses, which can be obtained from a financial professional and should be read carefully before investing. This material must be preceded or accompanied by a prospectus or summary prospectus for the fund(s) being offered.**

**Unless otherwise indicated, all information is as of June 30, 2019.**

**Investing outside the United States involves risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be heightened in connection with investments in developing countries. Small-company stocks entail additional risks, and they can fluctuate in price more than larger company stocks.**
Largest Equity Holdings | % of Net Assets
---|---
GW Pharmaceuticals | 3.2
Insulet | 2.8
Haemonetics | 1.6
Kotak Mahindra Bank | 1.5
International Container Terminal Services | 1.5
FRONTDOOR | 1.2
CONMED | 1.2
Integra LifeSciences | 1.1
Paycom | 1.1
Essent Group | 1.1

Distribution Rates and Yields

| | %
---|---
Distribution rate | 0.14
Annualized 30-day SEC yield | -0.03

Risk Measures

| | 15.06
---|---
Standard deviation (10 Years monthly) | 15.06
Beta (10 Years; calculated using MSCI ACWI Ex USA NR USD) | 0.87

Asset Mix | % of Net Assets
---|---
U.S. Equities | 41.1
Non-U.S. Equities | 51.5
U.S. Bonds | 0.0
Non-U.S. Bonds | 0.0
Cash & Equivalents | 7.4

Sector Breakdown | % of Net Assets
---|---
Energy | 1.6
Materials | 4.3
Industrials | 15.7
Consumer discretionary | 12.4
Consumer staples | 2.9
Health care | 22.8
Financials | 8.8
Information technology | 17.7
Communication services | 2.9
Utilities | 1.1
Real estate | 2.4

Top Industries | % of Net Assets
---|---
Health care equipment & supplies | 10.9
Software | 7.6
Hotels, restaurants & leisure | 4.8
Biotechnology | 4.7
Semiconductors & semiconductor equipment | 3.9
Pharmaceuticals | 3.9
IT services | 3.7
Machinery | 2.9
Commercial services & supplies | 2.4
Electronic equipment, instruments & components | 2.1

Equity Portion Breakdown | % of Net Assets
---|---|---|---|---|---
By Domicile | By Revenue
United States | 44.4 | 44
Canada | 1.6 | 2
Europe | 23.7 | 17
Japan | 5.5 | 6
Asia-Pacific ex. Japan | 2.9 | 2
Emerging Markets | 21.8 | 29

There may have been periods when the results lagged the index(es). Certain market indexes are unmanaged and, therefore, have no expenses. Investors cannot invest directly in an index. Results for Lipper indexes/averages do not reflect sales charges. Lipper categories are dynamic and averages may have few funds, especially over longer periods. Lipper indexes track the largest mutual funds (no more than 30), represented by one share class per fund, in the corresponding Lipper category. Lipper averages reflect the current composition of all eligible mutual funds (all share classes) within a given category. To see the number of funds included in the Lipper category for each fund’s lifetime, please see the Quarterly Statistical Update, available on our website.

All Capital Group trademarks mentioned are owned by The Capital Group Companies, Inc., an affiliated company or fund. All other company and product names mentioned are the property of their respective companies.

Investment results assume all distributions are reinvested and reflect applicable fees and expenses.

When applicable, investment results reflect fee waivers and/or expense reimbursements, without which results would have been lower. For more information on fee waivers and expense reimbursements, visit americanfunds.com/afis.

1 Capital believes the software and information from FactSet to be reliable. However, Capital cannot be responsible for inaccuracies, incomplete information or updating of the information furnished by FactSet. The information provided in this report is meant to give you an approximate account of the fund/manager’s characteristics for the specified date. This information is not indicative of future Capital investment decisions and is not used as part of our investment decision-making process.

2 Expense ratios are as of the most recent prospectus available at the time of publication.

3 Cash and equivalents includes short-term securities, accrued income and other assets less liabilities. It may also include investments in money market or similar funds managed by the investment adviser or its affiliates that are not offered to the public.

4 The SEC yield reflects the rate at which the fund is earning income on its current portfolio of securities while the 12-month distribution rate reflects the fund’s past dividends paid to shareholders. Accordingly, the fund’s SEC yield and distribution rate may differ.

5 ©2019 Morningstar, Inc. All Rights Reserved. Except for Lipper rating information, the information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar, its content providers nor the American Funds are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. Information is calculated by Morningstar. Due to differing calculation methods, the figures shown here may differ from those calculated by American Funds.

6 Figures include convertible securities; totals may not reconcile due to rounding. Methodology notes: The equity breakdown by revenue reflects the portfolio’s publicly traded equity holdings and excludes cash (and fixed income securities, if applicable). Underlying revenue data were compiled by MSCI and account for disparities in the way companies report their revenues across geographic segments. MSCI breaks out each company’s reported revenues into country-by-country estimates. MSCI provides revenue data figures based on a proprietary, standardized model. Revenue exposure at the portfolio and index level was calculated by using FactSet, which takes these company revenue exposures and multiplies by the company’s weighting in the portfolio and index.

American Funds Distributors, Inc., member FINRA.

This content, developed by Capital Group, home of American Funds, should not be used as a primary basis for investment decisions and is not intended to serve as impartial investment or fiduciary advice.
Class 1A shares were first offered on January 6, 2017. Class 1A share results prior to the date of first sale are hypothetical based on Class 1 share results, adjusted for typical estimated expenses. Please see each fund’s most recent shareholder report or prospectus for more information on specific expenses.

TERMS & DEFINITIONS

MSCI All Country World Small-Cap: MSCI All Country World Small Cap Index is a free float-adjusted market capitalization-weighted index that is designed to measure equity market results of smaller capitalization companies in both developed and emerging markets. Results reflect dividends net of withholding taxes. This index is unmanaged, and its results include reinvested dividends and/or distributions but do not reflect the effect of sales charges, commissions, account fees, expenses or U.S. federal income taxes.

Lipper Global Small-/Mid-Cap Funds Average: Lipper Global Small-/Mid-Cap Funds Average is composed of funds that invest at least 75% of their equity assets in companies both inside and outside of the United States with market capitalizations (on a three-year weighted basis) below Lipper’s global large-cap floor. The results of the underlying funds in the average include the reinvestment of dividends and capital gain distributions, as well as brokerage commissions paid by the funds for portfolio transactions and other fund expenses, but do not reflect the effect of sales charges, account fees or U.S. federal income taxes.

Standard deviation: A common measure of absolute volatility that tells how returns over time have varied from the mean. Annualized and based on monthly returns, a lower number signifies lower volatility.

Beta: A relative measure of a fund’s sensitivity to market movements over a specified period of time. The beta of the market (represented by the benchmark index) is equal to 1; a beta higher than 1 implies that a fund’s return was more volatile than the market. A beta lower than 1 suggests that the fund was less volatile than the market. Generally the higher the R-squared measure, the more reliable the beta measurement will be.