**BEST EXECUTION POLICY**

When executing portfolio transactions on behalf of their clients and the clients of their affiliates, Capital Bank and Trust Company, Capital Guardian Trust Company, Capital International, Inc., Capital Research and Management Company and their investment advisory affiliates (the “Advisers”) strive to obtain “best execution” (the most favorable total price reasonably attainable under the circumstances) for their clients’ portfolio transactions, taking into account a variety of factors. These factors include the size and type of transaction, the nature and character of the markets for the security to be purchased or sold, the cost, quality, likely speed and reliability of execution and settlement, the broker-dealer’s or execution venue’s ability to offer liquidity and anonymity, and the trade-off between market impact and opportunity costs. The Advisers consider these factors, which involve qualitative judgment, when selecting broker-dealers and execution venues for client portfolio transactions. The Advisers view best execution as a process that should be evaluated over time as part of an overall relationship with particular broker-dealer firms. In this regard, the Advisers do not consider themselves as having an obligation to obtain the lowest available commission rate for a portfolio transaction to the exclusion of price, service and qualitative considerations. Brokerage commissions are only a small part of total execution costs and other factors, such as market impact and speed of execution, contribute significantly to overall transaction costs.

The Advisers place orders with broker-dealers for their clients’ portfolio transactions. Purchases and sales of equity securities on a securities exchange or an over-the-counter market are affected through broker-dealers who receive commissions for their services. Purchases and sales of fixed-income securities and currency foreign exchange transactions are generally made with an issuer or a primary market-maker acting as principal with no stated brokerage commission. Prices for fixed-income securities in secondary trades usually include undisclosed compensation to the market-maker reflecting the spread between the bid and ask prices for the securities. The prices for equity and fixed-income securities purchased in primary market transactions, such as initial public offerings, new fixed-income issues, secondary offerings and private placements, may include underwriting fees.

**Oversight**

The Capital Group Companies Equity Trading Oversight and Best Execution Committee and The Capital Group Companies Fixed-Income Best Execution Committee provide oversight to the Advisers’ policies, procedures and practices relating to best execution. The Advisers obtain third-party analysis of trading execution quality. These analyses compare execution results with various benchmarks which provide quantitative data that is one of many data points that is evaluated to ensure that the Advisers are meeting their best execution obligation. The Market and Transaction Research group performs in-depth analysis on equity trade execution data and reviews the findings with the Global Equity Trading Manager to enhance the Advisers’ ability to measure and interpret trading costs and their effects on portfolio performance. The Equity Trading Oversight and Best Execution Committee meets periodically to review such trade execution analysis and evaluate the overall quality of execution and trades. The Fixed-Income Best Execution Committee meets periodically to review current fixed-income trading practices and overall quality of execution for fixed-income and foreign exchange trades.

The Capital Group Companies Corporate Access and Research Services Oversight Committee provides oversight of Capital Group’s research management program. It is responsible for
evaluating the quality of the research acquired by the Advisers to inform future procurement decisions and payment levels and proposing an annual research budget to the Capital Group Management Committee.

Commission Rates

The Advisers negotiate commission rates with brokers based on what they believe is reasonably necessary to obtain best execution. The Advisers do not consider the appropriate commission to necessarily be the lowest available commission, but attempt to maximize the overall benefits received by their clients for their commissions. Commission rates vary based on the nature of the transaction, the market in which the security is traded and the venue chosen for trading, among other factors. The Advisers seek, on an ongoing basis, to determine what the reasonable levels of commission rates for execution services are in the marketplace, taking various considerations into account, including, the extent to which a broker-dealer has put its own capital at risk, historical commission rates, and commission rates that other institutional investors are paying.

Brokerage and Investment Research Services

The Advisers may execute portfolio transactions with broker-dealers who provide certain brokerage and/or investment research services to them, but only when in the Advisers’ judgment the broker-dealer is capable of providing best execution for that transaction. The Advisers make decisions for procurement of research separately and distinctly from decisions on the choice of brokerage and execution services. The receipt of these research services permits the Advisers to supplement their own research and analysis and makes available the views of, and information from, individuals and the research staffs of other firms. These services may include, among other things, reports and other communications with respect to individual companies, industries, countries and regions, economic, political and legal developments, as well as scheduling meetings with corporate executives and seminars and conferences related to relevant subject matters. This information may be provided in the form of written reports, telephone contacts and meetings with securities analysts.

The Advisers have undertaken to bear the cost of all third-party investment research services for all client accounts they advise. However, in order to compensate certain U.S. broker-dealers for research consumed, and valued, by the Advisers’ investment professionals, the Advisers continue to operate a limited commission sharing arrangement with commissions on equity trades for certain registered investment companies they advise. The Advisers voluntarily reimburse such registered investment companies for all amounts collected into the commission sharing arrangement. In order to operate the commission sharing arrangement, the Advisers may cause such registered investment companies to pay commissions in excess of what other broker-dealers might have charged for certain portfolio transactions in recognition of brokerage and/or investment research services. In this regard, the Advisers have adopted a brokerage allocation procedure consistent with the requirements of Section 28(e) of the U.S. Securities Exchange Act of 1934. Section 28(e) permits the Advisers to cause an account to pay a higher commission to a broker-dealer that provides certain brokerage and/or investment research services to the Advisers, if the Advisers make a good faith determination that such commissions are reasonable in relation to the value of the services provided to the Advisers in terms of that particular transaction or the Advisers’ overall responsibility to their clients.

Certain brokerage and/or investment research services may not necessarily benefit all accounts paying commissions to a broker-dealer, therefore, the Advisers assess the reasonableness of commissions in light of the total brokerage and investment research services provided to the
Advisers. Further, research services may be used by all investment associates of the Advisers, regardless of whether they advise accounts with trading activity that generates eligible commissions. In accordance with their internal brokerage allocation procedure, the Advisers periodically assess the brokerage and investment research services provided by each broker-dealer and each other service provider from whom they receive such services. As part of ongoing relationships, the Advisers routinely meet with firms to discuss the level and quality of the brokerage and research services provided, as well as the value and cost of such services. In valuing the brokerage and investment research services the Advisers receive from broker-dealers and other research providers in connection with their good faith determinations of reasonableness, the Advisers take various factors into consideration, including the quantity, quality and usefulness of the services to the Advisers. Based on this information and applying their judgment, the Advisers set an annual research budget.

Research analysts and portfolio managers periodically participate in a research provider poll to determine the usefulness and value of the research provided by individual broker-dealers and research providers. Based on the results of this research provider poll, the Advisers may, through commission sharing arrangements with certain broker-dealers, direct a portion of commissions paid to a broker-dealer by the funds and other registered investment companies managed by the Advisers to be used to compensate the broker-dealer and/or other research providers for research services they provided.

While the Advisers may negotiate commission rates and enter into commission sharing arrangements with certain broker-dealers with the expectation that such broker-dealers will be providing brokerage and research services, neither the Advisers nor any of their clients incurs any obligation to any broker-dealer to pay for research by generating trading commissions. The Advisers negotiate prices for certain research that may be paid through commission sharing arrangements or by the Advisers with cash.

**Program and list trades**

The Advisers and their affiliates serve as investment adviser for certain accounts that are designed to be substantially similar to another account. This type of account will often generate a large number of relatively small trades when it is rebalanced to its reference fund due to differing cash flows or when the account is initially started up. The Advisers may not aggregate program trades or electronic list trades executed as part of this process. Non-aggregated trades performed for these accounts will be allocated entirely to that account. This is done only when the Advisers believe doing so will not have a material impact on the price or quality of other transactions.

**Cross-trades**

As part of their authority to invest client assets on a discretionary basis, the Advisers may place cross-trades between client accounts managed by the Advisers and their affiliates from time to time. The Advisers recognize that a potential conflict of interest may exist when placing trades between client accounts. To address such potential conflicts, the Advisers maintain cross-trade policies and procedures and place a cross-trade under those limited circumstances when such a trade: (a) is in the best interest of all participating clients and (b) is not prohibited by the participating clients’ investment management agreement or applicable law.

**Exchange or alternative trading system ownership**

Capital Research and Management Company currently owns an interest in IEX Group and Luminex Trading and Analytics. The Advisers may place orders on these or other exchanges or alternative
trading systems in which an Adviser, or one of their affiliates, has an ownership interest, provided such ownership interest is less than five percent of the total ownership interests in the entity. The Advisers are subject to the same best execution obligations when trading on any such exchange or alternative trading system.

Sale of Fund Shares Not Considered

The Advisers may place orders for a client’s portfolio transactions with broker-dealers who have sold shares in the funds managed by the Advisers or their affiliated companies; however, they do not consider whether a broker-dealer has sold shares of the funds managed by the Advisers or their affiliated companies when placing any such orders for a client’s portfolio transactions.

Client Referrals

The Advisers do not consider client referrals from a broker-dealer or third party in selecting or recommending broker-dealers.

Directed Brokerage

In some instances, an Adviser will accept a client’s instructions to direct a portion of the account’s brokerage commissions to a particular broker or group of brokers so long as the direction is consistent with the Advisers’ policy of seeking best execution. The Advisers’ ability to meet client direction requests will depend on the broker(s) selected by the client and the securities and markets in which the account invests, among other factors. Furthermore, the Advisers accept requests to direct brokerage from clients who are subject to ERISA only if the client’s direction program complies with ERISA.

Occasionally, clients direct an Adviser to place all or a portion of their account’s annual brokerage costs to one or several broker-dealers and do not require that directed trades be subject to the Advisers’ policy of seeking best execution. In these cases, the Adviser may be limited in negotiating commissions with broker-dealers to whom they direct trades and such accounts may therefore pay higher commissions than those that do not direct brokerage in this way. The Advisers believe clients are best served when the Advisers have the full authority to determine the broker and negotiate commissions for securities transactions. With directed brokerage arrangements of this type, the Advisers cannot assure clients that they will be able to obtain best execution.

Wrap Fee Programs

Where the Advisers are retained as investment managers under wrap fee programs sponsored by broker-dealers or other financial institutions, the Advisers do not negotiate on the client’s behalf brokerage commissions for the execution of transactions in the client’s account that are executed by or through the sponsor. These commissions are generally included in the “wrap fee” charged by the sponsor.

Where the Advisers have discretion to select broker-dealers to execute trades for wrap fee program advisory accounts, the Advisers generally place such trades through the sponsor because wrap fee program accounts are typically not charged separate brokerage commissions for the execution of transactions that are executed by or through the sponsor. Such trades may be executed subsequent to trades for other accounts of the Advisers. However, as noted above, the Advisers consider brokerage commissions to be only one part of total execution costs, and where the Advisers determine that other factors, such as market impact and speed of execution, are likely to contribute
more to overall transaction costs for a given transaction, the Advisers may execute trades for wrap fee program advisory accounts with broker-dealer other than the sponsor.

The amount of transactions that the Advisers determine to “trade away” from the sponsor can vary over time, and vary by strategy. For certain mandates, a higher proportion of the trades may be executed with a broker-dealer other than the sponsor. If the Advisers select a broker-dealer other than the sponsor or its affiliates to affect a trade for a wrap fee program account, any execution costs charged by that other broker-dealer typically will be charged separately to the client’s account and the wrap fee program account may incur these costs above and beyond its wrap fee.