



**CAPITAL
GROUPSM**

**Capital International
Portfolios 2
Prospectus**

September 2015

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

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Capital International Portfolios 2

Contents

This Prospectus is dated September 2015

Contact information	1	Distributors and other Intermediaries	16
Warnings	4	Restrictions on Ownership	17
Registration	4	Commodity Futures Trading Commission Disclosure	17
Definitions and References	4	Protection Against Improper Trading Practices	17
The Funds and their Structure	6	Late Trading	17
The Funds	6	Excessive Trading and Market Timing	17
The Classes	6	Taxation	17
The Shares	7	The Company	17
Investment Objectives and Policies	7	Shareholders	18
Risk Warnings	7	General	18
General Investment Risk	7	European Union Savings Directive (EUSD)	18
Specific Risks	8	Foreign Account Tax Compliance Act (FATCA)	18
Equities	8	Liquidation and Dissolution	18
Bonds	8	Capital International Portfolios 2 – General and Corporate Information	19
High Yield Bonds	8	The Company	19
Sovereign Debt	8	Mailing address of the Company	19
Emerging Markets	8	The Board of Directors of the Company	19
Currency Risk	8	Accounting Year of the Company	19
OTC Markets	8	Shareholders meetings of the Company	19
Derivative Instruments	8	The Management Company	19
Equity Linked Notes	10	The Investment Adviser of the Company	19
Credit Default Swaps	10	The Custodian and Paying Agent of the Company	20
Depository Receipts	10	Administrative Manager of the Company	20
European Monetary Union (EMU)	10	Authorised Agents and Country Paying Agents of the Company	20
Dividend Policy	10	Distributors	20
Expenses	11	Auditors of the Company	20
Annual Charges and Expenses Borne by the Company	11	Legal Advisers	20
Sales and Redemption Charges Borne by the Investor	12	Reports and other Documents available for Investors	20
Net Asset Value	12	Annex 1: General Investment Guidelines and Restrictions	21
Frequency and Timing	12	I. Eligible Assets	21
Calculation Principles	12	II. Investment Limits Applicable to Eligible Assets	22
Suspension of Determination of Net Asset Value and of Issue, Switch and Redemption of Shares	12	III. Liquid Assets	23
Account Opening	13	IV. Unauthorised Investments	23
Account Opening Procedure	13	Annex 2: Fund Information Sheet	24
Personal Data	13	Capital Group Global Absolute Income Grower (LUX)	25
Issue of Shares	13	Annex 3: Class Information Sheet	26
Offering Price	14	Capital Group Global Absolute Income Grower (LUX)	27
Standard Subscription Procedures	14		
Contractual Settlement	14		
Class Selection	14		
Subscription made with the assistance of Distributors and other Intermediaries	14		
Subscription in Kind	14		
Subscriptions Deferral	14		
Rejection Privilege	15		
Redemption of Shares	15		
Standard Redemption Procedures	15		
Redemptions made with the assistance of Distributors and other Intermediaries	15		
Redemptions Deferral	15		
Costs of Large Redemptions	15		
Compulsory Redemption	15		
Redemption in Kind	16		
Value of the Shares Redeemed	16		
Transfer of Shares	16		
Switches Between Funds	16		

Capital Group Global Absolute Income Grower (LUX) shown above was previously known as Capital International Global Absolute Income Grower prior to September 2014.

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).

The Company, as an umbrella fund, may comprise different Funds, each with a different investment objective and risk profile. 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 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.

Information on countries where the Funds are available can be found online at thecapitalgroup.com/emea.

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
Base Currency	the Company's and each Fund's accounting currencies, i.e. the currencies in which the Company's and each Fund's financial accounts are prepared (it may be different from a Fund's Operating Currency), as defined respectively under "The Funds and their Structure" and in the relevant Fund Information Sheet in Annex 2
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 is a client of, or otherwise has an investment management arrangement with, the Capital Group for the relevant Class
CHF (or SFr)	the currency of Switzerland
CIP2	Capital International Portfolios 2
CISA	Capital International Sàrl of 3, place des Bergues, CH-1201 Geneva, Switzerland
Class	each class of Shares
Company	Capital International Portfolios 2
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	the Cut-Off Time of each Fund as defined in the relevant Fund Information Sheet
Distributor	an Intermediary that has entered into a business relationship with the Company or the Management Company whereby it has undertaken (i) to promote and distribute Shares or an investment product that invests in Shares or, 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
Dividend-distributing Equivalent Class	a Class, the characteristics and features of which are equivalent to those of another Class, except as specifically described under "The Classes" in respect of dividend distribution
Dividend-distributing Hedged Equivalent Class	a Class, the characteristics and features of which are equivalent to those of another Class, except as specifically described under "The Classes" in respect of dividend distribution and currency hedging
Eligible Investment Country	the countries in which the assets of the relevant Fund would normally be invested, as defined in the relevant Fund Information Sheet in Annex 2
Eligible Assets	assets in which the Portfolio of each Fund will exclusively invest, as specified in Annex 1 and in the relevant Fund Information Sheet in Annex 2
Emerging Market	a country that, in the opinion of the Investment Adviser, is generally considered to be a developing country by the international financial community
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)
Equivalent Class	a Class, the characteristics and features of which are equivalent to those of another Class, except as specifically described under "The Classes" in connection with the relevant Equivalent Class
EUR (or €)	the currency of the European Monetary Union
EUSD	the European Union Savings Directive (Directive 2003/48/EC)
Fund	each compartment of the Company
GBP (or £)	the currency of Great Britain
GDR	Global Depository Receipt
Hedged Equivalent Class	a Class, the characteristics and features of which are equivalent to those of another Class, except as specifically described under "The Classes" in respect of currency hedging
Institutional Investor	an investor meeting the requirements to qualify as an institutional investor for the purposes of Article 174 of the Luxembourg law of 17 December 2010 on undertakings for collective investment
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 Adviser	the investment adviser of the relevant Fund, as defined in the relevant Fund Information Sheet in Annex 2
JP Morgan	J. P. Morgan Bank Luxembourg S.A. of European Bank & Business Centre, 6C, route de Trèves, L-2633 Senningerberg, Luxembourg
JPY (or ¥)	the currency of Japan
Key Investor Information Document (or KIID)	the key investor information document which will be available on thecapitalgroup.com/emea
Launch Date	the date as of which Shares are first issued by a Fund
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"
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
Operating Currency	the currency in which each Fund holds cash for investment purposes
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 Currency	a currency in which subscription monies may generally be paid and in which an official Net Asset Value of each Fund is available, as specified in the relevant Class Information Sheet in Annex 3
Portfolio	the portfolio of the relevant Fund

Regulated Market	a market that is regulated, operating regularly, recognised and open to the public. 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")
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
USA	the United States of America
USD (or \$)	the currency of the USA
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	the date as of which the assets of a given Fund are valued, as defined in the relevant Fund Information Sheet in Annex 2
Week Day	any calendar day other than a Saturday or a Sunday

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

The Funds and their Structure

The Company is incorporated in Luxembourg as a SICAV under Part I of the Law, as described in more detail under "Capital International Portfolios 2 – General and Corporate Information". Its Base Currency is the USD.

The Funds

The Company has adopted a multiple-compartment (or "umbrella") structure to provide investors with a choice of investment portfolios within the same investment vehicle. A separate Portfolio is maintained for each Fund and is invested in accordance with the investment objective applicable to the relevant Fund, and the assets of one Fund may only be used to cover the liabilities of such Fund. Each Fund's Base Currency is specified in the relevant Fund Information Sheet in Annex 2. Each Fund may be differentiated by its specific investment objective and policy or other specific features, as described within the relevant Fund Information Sheet in Annex 2.

The Classes

Shares of each Fund may be divided into Class A Shares, Class A2 Shares, Class A4 Shares, Class A7 Shares, Class A9 Shares, Class B Shares, Class C Shares, Class T Shares, Class X Shares and Class Z Shares. In addition, some Classes of the Funds may be further broken down into Equivalent Classes, with particular features as described below. Classes and Payment Currencies available in each Fund are specified in the relevant Class Information Sheet in Annex 3.

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

- **Class A, Class A2, Class A4, Class A7, Class A9 and Equivalent Classes:** Class A, Class A2, Class A4, Class A7, Class A9 Shares and Shares of Equivalent Classes are available only to Institutional Investors (i) meeting, in each Fund, an initial investment and minimum amount to be held at any time, as specified in the relevant Class Information Sheet in Annex 3¹ and (ii) which are Capital Group Investors, subject to conditions established from time to time by Capital Group.
- **Class B and Equivalent Classes:** Class B Shares and Shares of Equivalent Classes are available for (i) individual investors, investing either with the assistance of Distributors or directly, subject, in each Fund, to an initial investment and minimum amount to be held at any time, as specified in the relevant Class Information Sheet in Annex 3¹, or (ii) Capital Group Investors, subject to conditions established from time to time by Capital Group.
- **Class C and Equivalent Classes:** Class C Shares and Shares of Equivalent Classes 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 of a separate agreement with respect to management fee.
- **Class T and Equivalent Classes:** Class T Shares and Shares of Equivalent Classes are available for individual investors investing with the assistance of Distributors. Eligibility for such Shares is subject, in each Fund, to an initial investment and minimum amount to be held at any time, as specified in the relevant Class Information Sheet in Annex 3¹.
- **Class X and Equivalent Classes:** Class X Shares and Shares of Equivalent Classes are available to (i) all investors, subject, in each Fund, to an initial investment and minimum amount to be held at any time, as specified in the relevant Class Information Sheet in Annex 3¹, or (ii) Capital Group Investors, subject to conditions established from time to time by Capital Group.

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

- **Class Z and Equivalent Classes:** Class Z Shares and Shares of Equivalent Classes are available to (i) all investors, investing either with the assistance of Distributors who have separate fee arrangements with the investors, or directly, subject, in each Fund, to an initial investment and minimum amount to be held at any time, as specified in the relevant Class Information Sheet in Annex 3¹, or (ii) Capital Group Investors, subject to conditions established from time to time by Capital Group.

Equivalent Classes have the following additional features:

- **Dividend-distributing Equivalent Classes:** It is intended that these Classes will distribute dividends (see “Dividend Policy” for details). All such Classes are equivalent to one of the above Classes, other than with respect to dividend distribution.

These are marked by a “d”.

- **Hedged Equivalent Classes:** All such Classes are equivalent to one of the above Classes, other than with respect to currency hedging. These Classes seek to limit exposure of their Shareholders to currencies other than the currency referred to in the relevant Class’s designation; a systematic passive currency-hedging overlay will be performed by JPMorgan Chase Bank, N.A. on part of the assets of the relevant Fund attributable to these Classes. The actual passive currency-hedging overlay methodology may vary from Class to Class, as described in the relevant Class Information Sheet in Annex 3. In the case of a net asset flow to or from such a Class or fluctuation in the Net Asset Value of the Class, the passive currency-hedging overlay may not, or not immediately, be adjusted, unless the flow or fluctuation is significant. Passive currency-hedging overlay will not completely eliminate the exposure to currency movements, and proxy hedging may be used when the underlying currency is not liquid or is closely linked to another currency (as further described in the relevant Class Information Sheet in Annex 3). Shareholders of Hedged Equivalent Classes should note that returns of Hedged Equivalent Classes may be significantly different over time than those of unhedged Classes and that passive currency-hedging overlay may limit their ability to benefit from the currency diversification undertaken within the portfolio. The costs of passive currency-hedging overlay and gains/losses from hedging transactions are borne by the relevant Hedged Equivalent Class(es).

These are marked by a “h” and a reference to the currency being hedged into.

- **Dividend-distributing Hedged Equivalent Classes:** These Classes combine the features of Dividend-distributing Equivalent Classes and Hedged Equivalent Classes. All such Classes are equivalent to one of the above Classes, other than with respect to dividend distribution and currency hedging.

These are marked by a “dh”, a “gdh” and a reference to the currency being hedged into.

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 A, Class A2, Class A4, Class A7, Class A9, Class C or corresponding Equivalent Classes 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 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 was 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.

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 Fund and 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 objective of the Company is to seek to achieve the objective of each Fund as described within the relevant Fund Information Sheet in Annex 2 for the benefit of its Shareholders. The assets of each Fund are invested with a long-term perspective in accordance with the objective of the relevant Fund, subject to the investment restrictions described in Annex 1 and in the Fund Information Sheet of the relevant Fund in Annex 2.

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

Risk Warnings

General Investment Risk

The Company, as an umbrella fund, may comprise different Funds, each with a different investment objective and risk profile. Investments in all Funds 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

Some Funds will invest in Equities, as specified in the relevant Fund Information Sheet in Annex 2. 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 relevant Fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency fluctuations.

Bonds

Some Funds will invest in Bonds, as specified in the relevant Fund Information Sheet in Annex 2. 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.

Funds investing in Bonds 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 recognised 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

Some Funds will invest in high yield bonds, as specified in the relevant Fund Information Sheet in Annex 2. 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

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

Emerging Markets

Some Funds will invest in Emerging Markets securities, as specified in the relevant Fund Information Sheet in Annex 2. By investing in those securities, such a Fund faces a number of investment risks greater than those normally associated with investments in international securities. In particular, it may encounter settlement systems that are less well organised than those of developed markets. Supervisory authorities may also be unable to apply standards that are comparable with those in developed markets. Thus there may be risks that settlement may be delayed and that cash or securities belonging to the relevant Fund may be in jeopardy because of failures of or defects in the systems or because of defects in the administrative operations of the counter-parties. Such counter-parties may frequently lack the substance or financial resources of a counter-party in a developed market. There may also be a danger that competing claims may arise in respect of securities held by or to be transferred to the relevant Fund and compensation schemes may be non-existent or limited or inadequate to meet such Fund's claims in any of these events.

Other risks associated with Emerging Markets securities include political and social unrest; exchange control; currency instability; high rates of domestic inflation; limitations on repatriation of capital (including the possible imposition of currency blockages); the impact of the foreign debt burden on the domestic economies; instability and limited liquidity and regulation of the securities markets; relatively high transaction and other costs of investment; differences in accounting, auditing and financial reporting standards and potential difficulties in obtaining information about issuers and markets; and governmental intervention in the private sector, including restrictions on foreign investors such as the relevant Fund. It is possible, particularly in Emerging Markets, that purported securities in which the relevant Fund invests may subsequently be found to be fraudulent and as a consequence the Fund could suffer a loss. Taxation of interest and capital gains received by non-residents varies among the Emerging Markets States in which the relevant Fund may invest and, in some cases, is comparatively high. In addition, such States typically have less well-defined tax laws and procedures and such laws may permit retroactive taxation so that the relevant Fund could in the future become subject to local tax liabilities that had not been anticipated in conducting its investment activities or valuing its assets.

As many of the Emerging Markets are relatively small, have low trading volumes, suffer periods of illiquidity and are characterised by significant price volatility, investors should consider a shareholding in the Funds investing in Emerging Markets securities to be a long-term investment.

Currency Risk

The investments of some Funds 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 said Funds. In addition, in certain countries, these Funds 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

Some Funds 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 a Fund 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. Unless otherwise indicated in the relevant Fund Information Sheet in Annex 2, derivative instruments will only be used for hedging and/or efficient portfolio management purposes.

Management of Collateral

Where a Fund enters into OTC financial derivative transaction the counterparty risk of a Fund vis-a-vis a counterparty will be equal to the positive mark-to-market value of all OTC derivative transactions with that counterparty, provided that:

- (i) If there are legally enforceable netting arrangements in place, the risk exposure arising from OTC derivative transactions with the same counterparty may be netted; and
- (ii) If collateral posted in favour of the Fund and such collateral complies at all times with the criteria set out in "Eligible Collateral" below, the counterparty risk of a Fund towards a counterparty under OTC derivative transactions is reduced by the amount of such collateral.

Eligible Collateral

Collateral obtained in respect of OTC financial derivative transactions ("Collateral") will only be taken into account to reduce a counterparty's risk exposure if it complies at all times with criteria laid down in the ESMA Guidelines 2014/937 and CSSF circular 14/592 and provided that the following rules are complied with:

- (i) Collateral received other than cash shall be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;
- (ii) Collateral received shall be valued on at least a daily basis. Assets that exhibit high price volatility shall not be accepted as Collateral unless suitably conservative haircuts are in place;
- (iii) Collateral should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
- (iv) Collateral should be sufficiently diversified in terms of country, markets and issuers; and
- (v) Collateral should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

Reinvestment of Collateral

Non-cash collateral cannot be sold, re-invested or pledged.

Cash received as Collateral may only be:

- (i) Placed on deposit with entities prescribed in article 50(f) of the UCITS Directive;
- (ii) Invested in high quality government bonds;
- (iii) Used for reverse repo transactions under which the cash is recallable at any time; and
- (iv) Invested in short term money market funds.

Re-invested cash collateral must be diversified in accordance with the diversification requirements applicable to non-cash collateral. A Fund may be subject to a risk of loss in the case of a default of the relevant issuer or the relevant counterparty to transactions in which cash collateral has been reinvested.

Collateral Policy

The collateral policy that will be followed by each Fund to cover its exposure to an OTC financial derivative transaction is set out below.

The Management Company has established a list of authorised counterparties, eligible collateral, and haircut policies; and these may be revised or amended by the Management Company at any time.

The counterparties to any OTC financial derivative transaction, entered into by a Fund, are selected from a list of authorised counterparties established by the Management Company. The authorised counterparties are subject to prudential supervision and belong to categories approved by the CSSF. The list of authorised counterparties may be amended with the consent of the Management Company.

Collateral is posted and received in order to mitigate the counterparty risk in OTC financial derivative transactions. Collateral is monitored and marked-to-market daily. Regular reporting is provided to the Management Company, Administrative Manager, and Investment Advisor.

Collateral posted in favour of a Fund under a title transfer arrangement should be held by the Custodian or one of its correspondents or sub-custodians. Collateral posted in favour of a Fund under a security interest arrangement (e.g. a pledge) can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of collateral.

Cash Collateral received by the Management Company is only used as described under Reinvestment of Collateral above.

As part of its OTC financial derivatives transaction risk mitigation and in accordance with its internal policy relating to the management of collateral, the Management Company will determine:

- (i) the required level of collateral; and
- (ii) the level of valuation haircut applicable to non-cash assets received as collateral, taking into account the assets characteristics (such as the credit standing of the issuers, the maturity, the currency and the price volatility of the assets).

A haircut is a discount applied to the value of a Collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. Subject to the framework agreements in place with the relevant counterparty, which may or may not include minimum transfer amounts and/or threshold amounts of unsecured credit exposure that the parties are prepared to accept before asking for collateral, it is the intention of the Management Company that any collateral received shall have a value, adjusted in light of the haircut policy, which equals or exceeds the relevant counterparty exposure where appropriate.

Certain framework agreements or OTC financial derivatives transactions may require the posting of initial margin which is agreed between the parties at the time of each trade. Where initial margin is required, the value of collateral posted will be in excess of the value of the relevant OTC financial derivative transaction.

As of the date of this Prospectus, the Management Company typically accepts collateral types and applies the following haircuts in relation thereto:

Collateral Type	Typical Haircut
Cash	0%
Government Bonds	0.5% to 10%*
Non-Government Bonds	10% to 20%*

* These may vary depending upon the maturity of the security

The Management Company reserves the right to depart from the above haircut levels where it would be appropriate to do so taking into account the assets characteristics (such as the credit standing of the issuers, the maturity, the currency and the price volatility of the assets). Furthermore, the Management Company reserves the right to accept collateral types other than those disclosed above.

Cash is denominated in major currencies and typically USD, GBP or EUR. Government Bonds consist of bonds issued or guaranteed by a member state of the OECD or by their local authorities or supranational institutions and bodies of a community, regional or worldwide nature. Non-Government Bonds are bonds issued by or guaranteed by high quality issuers offering adequate liquidity.

Equity Linked Notes

Some Funds will 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 such Funds 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 Funds 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 Funds 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 Funds 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 Funds 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 Funds to accurately value the equity linked notes in their portfolios, and may make disposal of such securities more difficult for such Funds.

Credit Default Swaps

The use of credit default swaps normally carries a higher risk than investing in Bonds directly. A credit default swap allows the transfer of default risk. This allows investors to effectively buy insurance on a Bond they hold (hedging the investment) or buy protection on a Bond they do not physically own in the expectation that the credit will decline in quality. One party, the protection buyer, makes a stream of payments to the seller of protection, and a payment is due to the buyer in the event that there is a "credit event" (a decline in credit quality, which will be pre-defined in the agreement). If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid. The market for credit default swaps may sometimes be more illiquid than Bond markets. A Fund using credit default swaps must at all times be able to meet requests for redemption of Shares.

Depository Receipts

Some Funds 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 recognised 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)

Some Funds 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 said Funds (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 said Fund 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).

Dividend Policy

Class A, Class A2, Class A4, Class A7, Class A9, Class B, Class C, Class T, Class X and Class Z and corresponding Hedged Equivalent Classes

It is not at present intended that dividends be distributed to Shareholders of Class A, Class A2, Class A4, Class A7, Class A9, Class B, Class C, Class T, Class X and Class Z and corresponding Hedged Equivalent Classes in any Fund.

Dividend-distributing Equivalent Classes and Dividend-distributing Hedged Equivalent Classes

- **Principle and amount:** The Board of Directors of the Company intends to recommend that dividends be distributed to Shareholders of all Dividend-distributing Equivalent Classes and Dividend-distributing Hedge Equivalent Classes.

Dividend-distributing Equivalent Classes and Dividend-distributing Hedged Equivalent Classes marked with a “d”. The dividend will generally represent all of the net investment income (i.e., investment income net of withholding taxes less expenses) of such Classes. A given Class may not actually pay a dividend in any given accounting period if it has no or no significant net investment income. Certain Dividend-distributing Equivalent Classes and Dividend-distributing Hedged Equivalent Classes 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 relevant 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 of each Fund, as specified in the relevant Class Information Sheet in Annex 3.

This fee is used to compensate the Management Company which can in turn use it to compensate the Investment Adviser for its 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 Adviser, the Distributors and other Intermediaries may retrocede part or all of the received fee. The Management Fee is calculated and accrued on each Valuation Date (see “Net Asset Value”), on the basis of the net assets of the relevant Class of the relevant Fund, and payable monthly in arrears.

In order to avoid double-charging the Company, when the Company or the Investment Adviser invest in other UCITS or UCIs directly or indirectly managed by the Investment Adviser or managed by an entity to which the Investment Adviser is 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 Adviser invest in other UCITS or UCIs which are not directly or indirectly managed by the Investment Adviser or by an entity to which the Investment Adviser is 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.

- **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 for each Fund in the relevant Fund Information Sheet in Annex 2.

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); communication costs; compensation of directors (unless they have declined such compensation, which all those employed by an Affiliate have done) and their reasonable out-of-pocket expenses; reasonable investor servicing expenses; the cost of registering the Funds on dealing or clearing platforms, exchanges or markets; and generally any other expenses arising from its administration and operations. Significant expenses are accrued on each Valuation Date in determining 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 Fund or each Class, except if otherwise specified in this Prospectus and for certain fees and/or expenses which are specific to a given Fund or 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 Fund or Class may be written off against the assets of the relevant Fund or 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 of some Funds 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 and Redemption Charges 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 X, Class Z and Equivalent Classes, by the Management Company from any amount to be invested in Shares (a switch from one Fund to another is deemed a sale for this purpose).

In addition, for the purpose of protecting the Funds against excessive trading and market timing, the Management Company may, for the benefit of the relevant Fund(s), withhold a redemption charge (a switch from one Fund to another is deemed a redemption for this purpose) of up to 2% as detailed under "Protection Against Improper Trading Practices".

Net Asset Value

Frequency and Timing

The Net Asset Value of each Class of each Fund 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 that falls on month-ends; no dealing activity can be based on such net asset value per Share which is intended, in particular, to enable investors to carry out relevant performance comparisons between the Funds and major financial indices whose value is based on such prices.

The Net Asset Value is available at the registered office of the Company on or about 3:00 pm on the first Business Day following the relevant Valuation Date and will be published no later than on the second Business Day following the relevant Valuation Date. The Net Asset Value of certain Classes is also usually available online at thecapitalgroup.com/emea on the first Business Day following the relevant Valuation Date.

Calculation Principles

The Net Asset Value will be provided in the Base Currency and in each other Payment Currency, as specified in the relevant Fund Information Sheet in Annex 2 and Class Information Sheet in Annex 3.

The Net Asset Value of each Class of each Fund 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 portion 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 (vi) 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) Swaps will be valued at the net present value of their cash flows.
- (v) 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.
- (vi) If a price representative of a security's fair value is not readily available from the pricing sources described under (i) through (v) 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 Shareholders that might otherwise be available to short-term investors.

All Net Asset Value calculations will first be made in the relevant Fund's 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 of each Fund 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.

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 or all Fund(s) or Class(es) and suspend the issue, switch and redemption of Shares of such Fund(s) or Class(es) when:

- (a) any market(s) or stock exchange(s) on which a material part of the investments of the relevant Fund(s) 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 relevant Fund(s) or the determination of their value (despite the use of fair valuation procedures as described under "Net Asset Value" above) is not possible due to, and/or in the context of, a local, regional or global crisis, a communications breakdown or similar circumstances;
- (c) the reliable determination of the value of the assets of the relevant Fund(s) 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) a failure to do so might result in the relevant Fund(s) or Class(es) or the Company or Shareholders suffering any financial disadvantage which might not otherwise have been suffered;
- (f) the Company, any Fund(s) or Class(es) are liquidated or merged;
- (g) following a decision to merge a Class, a Fund or the Company, if justified with a view to protecting the interest of Shareholders; or
- (h) in case a Fund 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 Fund or 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 Fund or Class.

Investors who have applied for subscription and Shareholders who have requested switch or redemption of their Shares in the relevant Fund(s) or 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 Fund'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

The Management Company and the Administrative Manager (as well as, where relevant, service providers, representatives and agents) collect, retain, process, maintain and disclose personal data in accordance with applicable laws, including potentially to their worldwide offices or affiliates. The personal data that investors are supplying will enable the Management Company and the Administrative Manager (as well as, where relevant, service providers, representatives and agents) to administer their account and provide appropriate service to them as a Shareholder. By investing, Shareholders consent to the above and acknowledge that the transfer of their data may be to a country that does not have equivalent data protection laws to those of the European Economic Area; they further acknowledge that the Management Company and the Administrative Manager (as well as, where relevant, service providers, representatives and agents) may be required by applicable laws to provide Shareholders' personal data to supervisory or other authorities in various jurisdictions, in particular those jurisdictions where (i) the Company is or is getting registered for public or limited offering of its Shares, (ii) Shareholders are resident, domiciled or citizens (please see, in particular, the "Taxation" section) or (iii) the Company is or is getting registered, licensed or otherwise authorised to invest. Shareholders 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. The Management Company and the Administrative Manager (as well as, where relevant, service providers, representatives and agents) may record all incoming and outgoing telephone calls, among others with investors and their agents.

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 Funds and their Structure".

Offering Price

The Offering Price on each Valuation Date is the corresponding Net Asset Value. Any applicable sales charge as described under “Expenses” may be added to such amount.

Standard Subscription Procedures

Unless otherwise provided in the subsequent sections:

- Payment of subscription amounts must be made in any available Payment Currency as specified in the Class Information Sheet in Annex 3. 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 the relevant Fund Operating Currency. The subscription will then take place in the relevant Fund Operating Currency; contractual settlement (as described above) will not be available in such cases.
- 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, (iii) the full amount of cleared funds in an available Payment Currency as specified in the relevant Class Information Sheet in Annex 3 has been verified in the collection account by the Custodian through its standardised cash verification system, and (iv) the subscription has been accepted by the Management Company.
- 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 determined as of the corresponding Valuation Date.
- 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, except if the Management Company has agreed to issue Shares to the investor before cleared funds were verified in the collection account, as described under “Contractual Settlement” below.
- A subscription request may not be withdrawn or amended by the investor after the Cut-Off Time of the relevant Valuation Date.

Contractual Settlement

Shares could be issued before cleared funds are verified in the collection account to an investor who, in such case, will be deemed to have agreed to provide the Management Company with adequate protection against the non-receipt of funds, as follows. By investing in this context, any investor irrevocably:

- undertakes to procure payment of the subscription in one of the available Payment Currencies (which the Management Company may, at its discretion, require to be in the relevant Fund’s Operating Currency) no later than the third Week Day following the Valuation Date as of which the relevant Shares are issued, unless otherwise agreed in writing with the Company 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 following this confirmation;
- authorises and instructs the Management Company to, at its discretion, in the event that any Shares remain unpaid on or no later than the third Week Day following the Valuation Date as of which the relevant Shares are issued, unless otherwise agreed in writing with the Company 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 following this confirmation, 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 costs (including, but not limited to, late-payment interest, foreign currency exchange costs, including those resulting from currency fluctuation); and
- acknowledges that such investor will remain liable to the Company for the payment of any unpaid subscription amount and other costs (as described above) 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.

Subscription 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 relevant Fund’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, any Fund 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). (For this purpose, a switch of Shares of a given Fund into Shares of another Fund (see “Switches Between Funds”) will be treated as a redemption from the former and a subscription into the latter, the redemption being processed only when simultaneous subscription into the new Fund has become possible.) 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 determined as of 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 Company or the Management Company may also refuse to accept any application for subscription if the Company or one or more Fund(s) reach a size that could impact the ability to find suitable investments for the Company or one or more Fund(s). 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 Procedures

Shares will be redeemed by the Company at the relevant Net Asset Value determined as of the Valuation Date on which a valid written request is received from a Shareholder not later than the Cut-Off Time (less any applicable redemption charge as described under “Expenses”). 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 specific in the relevant Class Information Sheet in Annex 3, 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 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 his 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 number of Shares of any Fund outstanding, respectively, on such Valuation Date or at the commencement of such period. (For this purpose, a switch of Shares of a given Fund into Shares of another Fund (see “Switches Between Funds”) will be treated as a redemption from the former and a subscription into the latter.) 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 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.

Costs of Large Redemptions

The Company may, on receiving on any Valuation Date requests to redeem Shares amounting to more than 10% of the total net assets of the Company, provide in its accounts on such Valuation Date for the estimated costs (i.e. brokerage fees and price spreads) that it will incur as a result of such redemptions.

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. (For this purpose, a switch of Shares of a given Fund into Shares of another Fund (see “Switches Between Funds”) will be treated as a redemption from the former and a subscription into the latter);
- a transfer of Shares on a 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 subscription settlement 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 Fund or Class or the Management Company or the Investment Adviser, in the Company’s sole judgment, including as a result of FATCA (see “Taxation” section).

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 relevant 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.

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 relevant Fund at that time.

Transfer of Shares

A Shareholder may request the transfer of all or part 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.

Switches Between Funds

Application for the switch of Shares of one Fund into Shares of the same Class in another Fund may be made on any day that is a Valuation Date for both Funds. 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. Shares for which valid switch instructions have been received not later than the Cut-Off Time on a Valuation Date and accepted by the Management Company will be switched into Shares of the same Class of the other Fund as of that Valuation Date based on the Net Asset Values of the relevant Funds, determined as of the corresponding Valuation Date(s) in the Payment Currency of the existing holding.

Distributors and other Intermediaries may apply different switch procedures, including an earlier dealing cut-off time, to switches between Funds made with their assistance, as detailed under "Distributors and other Intermediaries".

A switch will only be processed if the resulting holding(s) of Shares meet(s) the applicable minimum holding and other requirements. Switches of Shares of one Class of a Fund into Shares of another Class (of either the same or a different Fund) are not permitted unless the Shareholder meets all requirements applicable to investments in the Class into which he requests to switch and the Management Company accepts such a switch. The Management Company reserves the right to refuse to accept any switch application at its discretion, without giving any reason.

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", "Redemption of Shares" and "Switches between Funds". 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 Funds and their 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 Fund 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 or a US citizen under certain very limited circumstances.

The Company will not accept to issue Class A, Class A2, Class A4, Class A7, Class A9, Class C Shares or any Shares of their Equivalent Classes thereof, 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 Funds and their Structure".

Commodity Futures Trading Commission Disclosure

To the extent that the Company or any Fund 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 or any of the relevant Fund's total investments. The Management Company, the Board of Directors of the Company, and the Investment Adviser intend to qualify for exemptions from registration requirements under the U.S. Commodity Exchange Act, as amended (the "Commodity Exchange Act") and the regulations promulgated thereunder (the "CFTC Regulations") applicable to a commodity pool operator ("CPO") and a commodity trading advisor and file notices of exemption with the U.S. National Futures Association in accordance with the CFTC regulations 4.13(a)(3) and 4.14(a)(8), respectively (the "Registration Exemption"). To qualify for the Registration Exemption, the Management Company, the Board of Directors of the Company and the Investment Adviser intend to offer the shares only to "Qualified Eligible Persons", which include non-US persons and Accredited Investors as defined under the U.S. Securities Act of 1933, as amended, and maintain the amount of the Company's and any individual Fund's total investments in swaps, commodity futures, commodity options contractors and other instruments subject to the jurisdiction of the Commodity Exchange Act under a certain threshold promulgated under CFTC Regulation 4.13(a)(3). Therefore, unlike a registered CPO, the Management Company, the Board of Directors of the Company and the Investment Adviser are not required to deliver a CFTC disclosure document or a certified annual report to the Company's investors. This Prospectus has not been reviewed or approved by the U.S. CFTC.

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. Its Funds may not be used by investors to serve as vehicles 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 Funds 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 withhold a redemption charge for the benefit of the relevant Fund(s) (as detailed, for each Class of each Fund, in the relevant Fund Information Sheet in Annex 2), as well as take appropriate measures to protect the interests of the Shareholders. (For this purpose, a switch of Shares of a given Fund into Shares of another Fund (see "Switches Between Funds") will be treated as a redemption from the former and a subscription into the latter.)

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 Fund and 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 A, Class A2, Class A4, Class A7, Class A9, Class C and Equivalent Classes 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 Funds' 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 Funds may qualify as US passive foreign investment companies (PFIC) for US tax purposes, which may have adverse tax consequences to US taxpayers. The Funds and their 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 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.

European Union Savings Directive (EUSD)

Individual shareholders who are EU tax resident or EU citizens who have not provided evidence of their tax residency outside of Europe are subject to "automatic exchange of information" with their country of residence or citizenship. The exchange of information relates to dividend distributions, redemptions and switches in funds investing in interest generating assets. In this respect, Aruba, the British Virgin Islands, Guernsey, Isle of Man, Jersey, Montserrat and the Netherlands Antilles (Curaçao, Sint Maarten, Bonaire, Sint Eustatius & Saba) are considered as part of EU. Investors who are in doubt as to their position in respect of this should consult their own independent tax advisers.

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 will be a registered deemed compliant Foreign Financial Institutions ("FFI") under FATCA and the equivalent Luxembourg domestic law following the signing of an Inter-Governmental Agreement ("IGA") with the U.S. 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, may 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.

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 Fund or one Class may be approved by the Board of Directors of the Company and/or by a resolution at a separate Fund or Class meeting of Shareholders of the Fund or Class concerned. Any monies not claimed will be deposited with the "Caisse de Consignation" in Luxembourg. One Fund or one Class may be liquidated by contributing into another Fund or 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 Portfolios 2 – 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 139 643

The Company

The Company was incorporated as a SICAV on 24 June 2008 for an indefinite period under Part I of the Law. Its Articles of Incorporation were published in the Mémorial Recueil Spécial of the Grand Duchy of Luxembourg on 18 July 2008, 31 March 2011 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)

Chairman
Capital International Sàrl
Geneva, Switzerland

Joanna Jonsson (Vice Chairman)

Senior Vice President
Capital Research Company
Los Angeles, USA

Stephen Gosztony

Senior Vice President
Capital International Limited
London, United Kingdom

Pierre-Marie Bouvet de Maisonneuve

Senior Vice President
Capital International, Inc.
Singapore, Singapore

Accounting Year of the Company

The accounting year of the Company begins on 1 April and terminates on 31 March 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 Tuesday of July in each year at 2:00 pm 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 Adviser of the Company

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

Subject to the overall control of the Management Company and the ultimate responsibility of the Board of Directors of the Company, CISA serves as the Investment Adviser of the Fund pursuant to an Investment Advisory Agreement dated 24 June 2008, as amended. CISA was incorporated on 5 July 1963 and is a wholly owned subsidiary of Capital Group International, Inc., which, in turn, is wholly owned by Capital Group.

The Affiliates manage substantial portfolios for a wide range of international clients. These portfolios are invested in worldwide equity and fixed income securities. The Investment Adviser has 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 Adviser may delegate, under its 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 Adviser's investment decisions relating to the assets of the Fund.

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 Custodian 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 Company has appointed JP Morgan as Custodian of the assets of the Company, by a Custody Agreement dated 24 June 2008 and as Paying Agent, by a Paying Agency Agreement dated 24 June 2008 to provide 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.

Administrative Manager 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 24 June 2008, 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
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 thecapitalgroup.com/emea. 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 Agreement;
- the Custody Agreement;
- the Paying Agency Agreement; and
- the Administration Agreement.

Annex 1: General Investment Guidelines and Restrictions

Subject to the Company's Articles of Incorporation, to this Prospectus, to the relevant Fund Information Sheet in Annex 2 and to the relevant Class Information Sheet in Annex 3, the following provisions will apply:

I. Eligible Assets

1. The Portfolio of each Fund will exclusively be invested in:
 - (a) transferable securities and money market instruments that are issued by issuers domiciled, and/or having their principal place of business, and/or whose securities are dealt in, in an Eligible Investment Country and that
 - (i) are admitted to an Official Listing,
 - (ii) are dealt in on another Regulated Market, or
 - (iii) having been issued recently, include in their terms of issue the undertaking that they will meet either of the above requirements within a year of the issue;
 - (b) 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
 - (i) issued or guaranteed by 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
 - (ii) issued by an undertaking, any securities of which are admitted to an Official Listing or dealt in on another Regulated Market; or
 - (iii) issued or guaranteed by an establishment subject to prudential supervision in accordance with European Community law or to rules at least as stringent;
 - (c) other transferable securities and money market instruments, provided that their total value does not exceed 10% of the net assets of the relevant Fund;
 - (d) units of other UCITS or UCIs, provided that no more than 10% of the UCITS' or UCI's assets (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;
 - (e) 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 (i) has its registered seat in a Member State or (ii) is subject to prudential rules equivalent to those laid down in European Community law; and
 - (f) 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:
 - (i) the underlying consists of instruments described in paragraphs (a) to (e), financial indices, interest rates, foreign exchange rates or currencies to which the relevant Fund may gain exposure to in accordance with its investment policy,
 - (ii) the counterparties to OTC Derivative transactions are institutions subject to prudential supervision and belong to the categories approved by the CSSF, and
 - (iii) 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.

For the avoidance of doubt, it is confirmed that investments in private placement securities, as well as loan participations or assignments (to the extent that these instruments are securitised), and the acquisition of equity securities or other instruments received as a result of corporate actions, are permitted within the limits laid down above.

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,

- (a) 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 and proxy hedging, in particular forward currency sales
 - (i) not exceeding, for each currency, the value of the relevant Fund's assets denominated in, and/or directly exposed to the risk of, a given currency or a currency linked or closely related to 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 in each Fund back to any currency;

- (b) financial derivative instruments linked to interest rates such as interest rate swaps; and
- (c) subject to it being provided for in the relevant Fund's Information Sheet in Annex 2, financial derivative instruments related to credit risks, such as credit default swaps whereby one counterparty (the protection buyer) pays the other a fixed periodic fee for the specified life of the agreement, in return for a contingent payment by the protection seller upon occurrence of a credit event of a predetermined reference issuer. A credit event is commonly defined as a downgrading of the rating assigned by a rating agency, bankruptcy, insolvency, receivership, material

adverse restructuring of debt or failure to meet payment obligations when due. The Company will enter into such transactions with first-class financial institutions.

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,
- (a) more than 10% of the net assets of the relevant Fund 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.
 - (i) The 10% limit laid down in sub-paragraph 3.(a) above 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 in sub-paragraph 3.(a) above.
 - (ii) **Notwithstanding sub-paragraphs 3.(a) and 3.(a)(i) above, the Company is authorised to invest up to 100% of the net assets of the relevant Fund, in accordance with the principle of risk spreading, in transferable securities and money market instruments 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 relevant Fund 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 relevant Fund.**
 - (iii) The 10% limit laid down in sub-paragraph 3.(a) above is increased to 25% in respect of 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. Such debt securities need not be included in the calculation of the limit of 40% referred to in sub-paragraph 3.(a) above, but no more than 80% of any Fund's net assets may be invested in such debt securities of issuers in each of which more than 5% of the Fund's assets are invested.
 - (b) more than 10% of the net assets of the relevant Fund would be invested in securities exclusively listed and/or traded on a Russian Regulated Market (except Moscow Exchange MICEX-RTS - formerly known as the Russian Trading Stock Exchange and the Moscow Interbank Currency Exchange). Such securities will be included for the purpose of calculating the 10% limit referred to in Section I, 1, (c) above;
 - (c) more than 10% of the net assets of the relevant Fund would be invested, in aggregate, in UCITS and/or other UCIs, unless a different specific investment restriction is mentioned in the relevant Fund Information Sheet in Annex 2. For the purpose of this provision, each fund of a UCITS or UCI 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. The terms and conditions of investments in undertakings for which the Investment Adviser or Affiliates act directly or indirectly as investment adviser must be in the best interest of the Company and its Shareholders, in particular with respect to the avoidance of double-charging of investment advisory fees (as described under "Expenses").
 - (d) notwithstanding the 10% limit referred to under (c) above, the Company can decide, under the conditions provided for in Chapter 9 of the 2010 Law, as may be amended, that a Fund ("Feeder") may invest 85% or more of its assets in units or shares of another UCITS ("Master") authorised according to Directive 2009/65/EC (or a portfolio of such UCITS).
 - (e) more than 20% of the net assets of any Fund would be invested in deposits made with the same body.
 - (f) any Fund'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 I.1.(e) above, or 5% of its net assets in other cases.
 - (g) the Company or any one Fund would hold more than 10% of any class of securities of any issuer (other than a UCI or UCITS), or the Company would hold shares carrying voting rights that would enable it to take legal or management control or to exercise significant influence over the management of the issuing body.
 - (h) the Company or any one Fund would hold more than 25% of the units of a single UCI or UCITS.

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 Country or a public international body of which one or more Member States are members.

- (i) subject to the following paragraph, the combination of the following instruments would exceed 20% of the net assets of any Fund:
 - (i) transferable securities or money market instruments issued by a single body; and/or
 - (ii) deposits made with the same body; and/or
 - (iii) exposures arising from OTC Derivative transactions undertaken with the same body.
- (j) the combination of the following instruments would exceed 35% of the net assets of any Fund:
 - (i) transferable securities or money market instruments issued by a single body in accordance with sub-paragraph 3.(a)(i) above; and/or
 - (ii) certain debt securities issued by the same body in accordance with sub-paragraph 3.(a)(iii) above; and/or
 - (iii) deposits made with the same body in accordance with sub-paragraph 3.(c) above; and/or
 - (iv) exposures arising from OTC Derivative transactions undertaken with the same body in accordance with sub-paragraph (d) 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 recognised international accounting rules, is regarded as a single body for the purpose of calculating the investment limits referred to above in this paragraph 3.

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

Further, a Fund can, under the conditions provided for in article 181 paragraph 8 of the 2010 Law, as may be amended, invest in the shares issued by one or several other Funds of the Company.

4. The Company will ensure that each Fund's global exposure relating to derivative instruments does 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 any Fund 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. The Company will not make investments in:

- (a) precious metals or certificates representing them, or commodities;
- (b) real estate or any option, right or interest in real estate, provided that the Company may invest in securities secured upon, or issued by companies which invest in, real estate or interests in real estate; and
- (c) securities purchased on margin (except such short-term credit obtained as necessary for the clearance of purchases and sales of securities) or in uncovered sales of securities, money market instruments or other financial instruments.

6. In addition the Company will not:

- (a) make loans out of or secured upon its assets or assume liability for any obligation or indebtedness of any third person;
- (b) borrow, except from a bank, as a temporary and extraordinary measure for purposes other than investment, including, in particular, in order to meet redemption requests, and then not in excess of 10% of the net assets of the relevant Fund, provided that the acquisition of securities in partly-paid form will not be deemed to constitute a borrowing; and
- (c) make investments in any assets involving the assumption of unlimited liability.

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 relevant Fund 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 relevant 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 Adviser has implemented procedures to comply with the above obligations.

Annex 2: Fund Information Sheet

The Fund Information Sheet forms an integral part of the Prospectus and should be read in conjunction with the full information contained in it.

A. Capital Group Global Absolute Income Grower (LUX)

25

Capital Group Global Absolute Income Grower (LUX) shown above was previously known as Capital International Global Absolute Income Grower prior to September 2014.

Definitions applicable to fund information sheet

Specific Investment Guidelines and Restrictions: those restrictions are to be read in addition to the "General Investment Guidelines and Restrictions" contained in Annex 1.

Specific Risks: those risks are to be read in addition to the "General Investment Risk" described under the "Risk Warnings" section above.

Sales Charge: the Management Company and/or the Distributors will inform investors of the rate it applies, if any.

Redemption Charge: designed to protect the Company against improper trading practices. The Company will inform investors of the rate it applies, if any.

Capital Group Global Absolute Income Grower (LUX)

Known as Capital International Global Absolute Income Grower prior to September 2014

Launch Date	24 March 2011	
Investment Objective	The Fund aims to provide current income (expressed in USD) and grow that income over time. The Fund will seek to meet these objectives by investing worldwide primarily in equities of companies, which offer a combination of current dividend income and dividend growth, as well as in fixed income securities globally. A long-term global equity-like total return with lower volatility should also be a long-term outcome of meeting these objectives.	
Profile of the typical investor	The Fund is particularly suitable for investors who are seeking current income and long term equity-like returns with lower volatility.	
Eligible Investment Countries	Any country that is included at any time in the MSCI All Countries World Index, and Luxembourg	
Specific Investment Guidelines and Restrictions	n/a	
Specific Risks	Equities, Bonds	
Investment Adviser	CISA	
Base Currency	USD	
Valuation Date	Each Business Day, except when markets that represent 40% or more of the Fund's Portfolio, as determined towards the end of each year for the following year, are closed at the time the Net Asset Value is calculated (see "Net Asset Value"). For the purpose of this paragraph, the market to be considered is the market where the relevant instrument is listed. (A list of such dates is available on thecapitalgroup.com/emea)	
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.	
Cut-Off Time	12:00 noon Luxembourg time on every Valuation Date	
Fiscal Year-end	31 March in each year	
Fees and charges	Fund Administration Fee ¹	0.15% maximum
	Custody Fee ²	0.05% maximum
	Sales Charge	5.25% maximum
	Redemption Charge	2.00% maximum

1 Effective rate varies with the total assets of the Fund up to the indicated maximum.

2 Effective rate varies with the total assets of the Fund and with the country breakdown in the Portfolio, up to the indicated maximum.

Annex 3: Class Information Sheets

Each Class Information Sheet forms an integral part of the Prospectus and should be read in conjunction with the full information contained in it.

A. Capital Group Global Absolute Income Grower (LUX)

27

Capital Group Global Absolute Income Grower (LUX) shown above was previously known as Capital International Global Absolute Income Grower prior to September 2014.

Definitions applicable to all class information sheets

Minimum Initial Investment and amount held at any time: other conditions may apply to Capital Group Investors.

Management Fee: the annual rate charged on the Class's net assets, excluding any fees charged as a result of an investment in other UCITS or UCIs not directly or indirectly managed by the Investment Adviser or an Affiliate of the Investment Adviser. No investment advisory fee is charged within UCITS or other UCIs managed directly or indirectly by the Investment Adviser or an Affiliate of the Investment Adviser.

Class C Shares and Shares of Equivalent Classes: investments in such classes may only be made by investors having entered into a separate agreement with respect to management fee as described under "The Classes" section above. The Management Fee in such classes corresponds to the fee collected from such investors.

Capital Group Global Absolute Income Grower (LUX)

Known as Capital International Global Absolute Income Grower prior to September 2014.

Available Classes	Payment Currencies	Minimum Initial Investment and amount held at any time	Management Fee
Class A and Equivalent			
A	CHF EUR GBP JPY USD	\$2 million or equivalent	1.00%
Ad			
Ah-EUR			
Ah-GBP			
Adh-EUR			
Adh-GBP			
A2			
A2d			
A2h-EUR			
A2h-GBP			
A2dh-EUR			
A4	CHF EUR GBP USD	\$25 million or equivalent	0.70%
A4d			
A4h-EUR			
A4h-GBP			
A4dh-EUR			
A7	CHF EUR GBP USD	\$80 million or equivalent	0.55%
A7d			
A7h-EUR			
A7h-GBP			
A7dh-EUR			
A9	CHF EUR GBP USD	\$250 million or equivalent	0.475%
A9d			
A9h-EUR			
A9h-GBP			
A9dh-EUR			
A9dh-GBP			
Class B and Equivalent			
B	CHF EUR GBP USD	\$1,000 or equivalent	1.50%
Bd			
Bdh-GBP			
Class C and Equivalent			
C	CHF EUR GBP JPY USD	None	Charged outside the Company
Cd			
Ch-CHF			
Ch-EUR			
Ch-GBP			
Cdh-CHF			
Cdh-EUR			
Cdh-GBP			

Annex 3A: Class Information Sheet

Capital Group Global Absolute Income Grower (LUX)

Known as Capital International Global Absolute Income Grower prior to September 2014.

Available Classes	Payment Currencies	Minimum Initial Investment and amount held at any time	Management Fee	
Class T and Equivalent				
T	EUR USD	\$1,000 or equivalent	1.75%	
Td				
Class X and Equivalent				
X	CHF EUR GBP JPY USD	\$2 million or equivalent	1.00%	
Xd				
Xh-EUR				EUR
Xh-GBP				GBP
Xdh-EUR				EUR
Xdh-GBP				GBP
Class Z and Equivalent				
Z	CHF EUR GBP USD	\$15 million or equivalent	0.75%	
Zd				
Zh-EUR				EUR
Zh-GBP				GBP
Zdh-EUR				EUR
Zdh-GBP				GBP

For Hedged Classes (h) for the above Fund's Classes

The Class will aim at hedging with a reasonable margin of tolerance the significant currency exposures of the developed market investment graded fixed income securities (as represented by a relevant representative index) into the currency referred to in the relevant Class's designation. The Class may, from time to time, also additionally hedge the significant currency exposures of any other fixed income securities.