

---

Capital Income Builder®

---

Table of contents

Capital Income Builder	1	Investment objectives, strategies and risks	4
		Management and organization	7
		Purchases and redemptions of shares	12
		Plan of distribution	14
		Other compensation to dealers	14
		Fund expenses	15
		Investment results	15
		Distributions and taxes	15
		Financial highlights	16



**Principal risks** This section describes the principal risks associated with investing in the fund. You may lose money by investing in the fund. The likelihood of loss may be greater if you invest for a shorter period of time. Investors in the fund should have a long-term perspective and be able to tolerate potentially sharp declines in value.

*Market conditions* – The prices of, and the income generated by, the common stocks, bonds and other securities held by the fund may decline – sometimes rapidly or unpredictably – due to various factors, including events or conditions affecting the general economy or particular industries or companies; overall market changes; local, regional or global political, social or economic instability; governmental, governmental agency or central bank responses to economic conditions; and currency exchange rate, interest rate and commodity price fluctuations. These risks may be heightened in the case of smaller capitalization stocks.

Economies and financial markets throughout the world are highly interconnected. Economic, financial or political events, trading and tariff arrangements, wars, terrorism, cybersecurity events, natural disasters, public health emergencies (such as the spread of infectious disease) and other circumstances in one country or region, including actions taken by governmental or quasi-governmental authorities in response to any of the foregoing, could have impacts on global economies or markets. As a result, whether or not the fund invests in sec

**Investment results** The following bar chart shows how the investment results of the Class 1 shares of the fund have varied from year to year, and the following table shows how the fund's average annual total returns for various periods compare with a broad measure of securities market results and other applicable measures of market results. This information provides some indication of the risks of investing in the fund. The MSCI All Country World Index reflects the equity market sectors in which the fund invests. Results reflect dividends gross of withholding taxes through December 31, 2000, and dividends net of withholding taxes thereafter. The Bloomberg U.S. Aggregate Index represents the U.S. investment-grade fixed-rate bond market. Past investment results (before and after taxes) are not predictive of future investment results. Figures shown reflect fees and expenses associated with an investment in the fund, but do not reflect insurance contract fees and expenses. If insurance contract fees and expenses were included, results would have been lo





placing restrictions on foreign ownership and on withdrawing sale proceeds of securities from the country, and/or imposing punitive taxes that could adversely affect the prices of securities. Information regarding issuers in emerging markets may be limited, incomplete or inaccurate, and such issuers may not be subject to regulatory, accounting, auditing, and financial reporting and recordkeeping standards comparable to those to which issuers in more developed markets are subject. The fund's rights with respect to its investments in emerging markets, if any, will generally be governed by local law, which may make it difficult or impossible for the fund to pursue legal remedies or to obtain and enforce judgments in local courts. In addition, the economies of these countries may be dependent on relatively few industries, may have limited access to capital and may be more susceptible to changes in local and global trade conditions and downturns in the world economy. Securities markets in these countries can also be relatively small and have substantially lower trading volumes. As a result, securities issued in these countries may be more volatile and less liquid, and may be more difficult to value, than securities issued in countries with more developed economies and/or markets. Less certainty with respect to security valuations may lead to additional challenges and risks in calculating the fund's net asset value. Additionally, emerging markets are more likely to experience problems with the clearing and settling of trades and the holding of securities by banks, agents and depositories that are less established than those in developed countries.

*Exposure to country, region, industry or sector* – Subject to the fund's investment limitations, the fund may have significant exposure to a particular country, region, industry or sector. Such exposure may cause the fund to be more impacted by risks relating to and developments affecting the country, region, industry or sector, and thus its net asset value may be more volatile, than a fund without such

## Management and organization

**Investment adviser** Capital Research and Management Company, an experienced investment management organization founded in 1931, serves as the investment adviser to the Series and other funds, including the American Funds. Capital Research and Management Company is a wholly owned subsidiary of The Capital Group Companies, Inc. and is located at 333 South Hope Street, Los Angeles, California 90071. Capital Research and Management Company manages the investment portfolios and business affairs of the Series. The total management fee paid by each fund to its investment adviser for the most recent fiscal year, including any amounts waived, in each case expressed as a percentage of average net assets of that fund, appears in the Annual Fund Operating Expenses table for each fund. Please see the statement of additional information for further details. A discussion regarding the basis for the approval of the Series' Investment Advisory and Service Agreement by the Series' board of trustees is contained in the Series' semi-annual report to shareholders for the fiscal period ended June 30, 2022.

Capital Research and Management Company manages equity assets through three equity investment divisions and fixed income assets through its fixed income investment division, Capital Fixed Income Investors. The three equity investment divisions – Capital International Investors, Capital Research Global Investors and Capital World Investors – make investment decisions independently of one another.

The equity investment divisions may, in the future, be incorporated as wholly owned subsidiaries of Capital Research and Management Company. In that event, Capital Research and Management Company would continue to be the investment adviser, and day-to-day investment management of equity assets would continue to be carried out through one or more of these subsidiaries. Although not currently contemplated, Capital Research and Management Company could incorporate its fixed income investment division in the future and engage it to provide day-to-day investment management of fixed income assets. Capital Research and Management Company and each of the funds it advises have received an exemptive order from the U.S. Securities and Exchange Commission that allows Capital Research and Management Company to use, upon approval of the funds' boards, its management subsidiaries and affiliates to provide day-to-day investment management services to the funds, including making changes to the management subsidiaries and affiliates providing such services. The Series' shareholders approved this arrangement; however, there is no assurance that Capital Research and Management Company will incorporate its investment divisions or exercise any authority granted to it under the exemptive order.

In addition, shareholders of the Series have approved a proposal to reorganize the Series into a Delaware statutory trust. However, the Series reserved the right to delay implementing the reorganization and has elected to do so.

**The Capital System™** Capital Research and Management Company uses a system of multiple portfolio managers in managing fund assets. Under this approach, the portfolio of a fund is divided into segments managed by individual managers. In addition, Capital Research and Management Company's investment analysts may make investment decisions with respect to a portion of each underlying fund's portfolio. Investment decisions are subject to a fund's objective(s), policies and restrictions and the oversight of the appropriate investment-related committees of Capital Research and Management Company and its investment divisions.

Certain senior members of Capital Fixed Income Investors, the investment adviser's fixed income investment division, serve on the Portfolio Strategy Group. The group utilizes a research-driven process with input from the investment adviser's analysts, portfolio managers and economists to define investment themes on a range of macroeconomic factors, including duration, yield curve and se



The primary individual portfolio managers for each of the funds are:

Portfolio manager for the Series/Title (if applicable)	Primary title with investment adviser (or affiliate) and investment experience	Portfolio manager's role in management of, and experience in, the fund(s)
<b>Donald D. O'Neal</b> Co-President and Trustee	Partner – Capital International Investors Investment professional for 38 years, all with Capital Research and Management Company or affiliate	Serves as an equity portfolio manager for: Growth-Income Fund – 18 years
<b>Alan N. Berro</b> Co-President	Partner – Capital World Investors Investment professional for 37 years in total; 32 years with Capital Research and Management Company or affiliate	Serves as an equity portfolio manager for: Washington Mutual Investors Fund – 6 years Asset Allocation Fund – 23 years
<b>Patrice Collette</b> Senior Vice President	Partner – Capital World Investors Investment professional for 29 years in total; 23 years with Capital Research and Management Company or affiliate	Serves as an equity portfolio manager for: Global Growth Fund – 8 years (plus 14 years of prior experience as an investment analyst for the fund) International Growth and Income Fund – 1 year
<b>Peter Eliot</b> Senior Vice President	Partner – Capital International Investors Investment professional for 28 years in total; 19 years with Capital Research and Management Company or affiliate	Serves as an equity portfolio manager for: Asset Allocation Fund – 7 years
<b>Irfan M. Furniturewala</b> Senior Vice President	Partner – Capital International Investors Investment professional for 23 years in total; 22 years with Capital Research and Management Company or affiliate	Serves as an equity portfolio manager for: Growth Fund – 2 years (plus 1 year of prior experience as an investment analyst for the fund) Washington Mutual Investors Fund – 2 years
<b>Sung Lee</b> Senior Vice President	Partner – Capital Research Global Investors Investment professional for 29 years, all with Capital Research and Management Company or affiliate	Serves as an equity portfolio manager for: International Fund – 17 years Capital World Growth and Income Fund – 2 years
<b>Keiko McKibben</b> Senior Vice President	Partner – Capital Research Global Investors Investment professional for 29 years in total; 25 years with Capital Research and Management Company or affiliate	Serves as an equity portfolio manager for: Growth-Income Fund – 9 years (plus 10 years of prior experience as an investment analyst for the fund)
<b>Carlos A. Schonfeld</b> Senior Vice President	Partner – Capital International Investors Investment professional for 25 years in total; 24 years with	

Portfolio manager for the Series/Title (if applicable)	Primary title with investment adviser (or affiliate) and investment experience	Portfolio manager's role in management of, and experience in, the fund(s)
Tom Chow	Partner - Capital Fixed Income Investors Investment professional for 34 years in total; 8 years with	

Portfolio manager for the Series/Title (if applicable)	Primary title with investment adviser (or affiliate) and investment experience	Portfolio manager's role in management of, and experience in, the fund(s)
Harold H. La	Partner - Capital Research Global Investors	

Portfolio manager for the Series/Title (if applicable)	Primary title with investment adviser (or affiliate) and investment experience	Portfolio manager's role in management of, and experience in, the fund(s)
<b>Kirstie Spence</b>	Partner – Capital Fixed Income Investors Investment professional for 28 years, all with Capital Research and Management Company or affiliate	Serves as a fixed income portfolio manager for: New World Fund – 3 years (plus 9 years of prior experience as an investment analyst for the fund)
<b>Eric H. Stern</b>	Partner – Capital International Investors Investment professional for 34 years in total; 32 years with Capital Research and Management Company or affiliate	Serves as an equity portfolio manager for: Washington Mutual Investors Fund – 2 years
<b>Andrew B. Suzman</b>	Partner – Capital World Investors Investment professional for 30 years, all with Capital Research and Management Company or affiliate	Serves as an equity portfolio manager for: International Growth and Income Fund – 1 year
<b>Tomonori Tani</b>	Partner – Capital World Investors Investment professional for 25 years in total; 19 years with Capital Research and Management Company or affiliate	Serves as an equity portfolio manager for: New World Fund – 5 years





**Plan of distribution** The Series has not adopted (and does not presently intend to adopt) a plan of distribution or "12b-1 plan" for Class 1 shares.

**Other compensation to dealers** American Funds Distributors, at its expense, provides additional compensation to insurance companies.

## Fund expenses



**Financial highlights** The Financial Highlights table is intended to help you understand a fund's results for the past five fiscal years (or, if shorter, the period of operations). Certain information reflects financial results for a single share of a particular class. The total returns in the table represent the rate that an investor would have earned or lost on an investment in a fund (assuming reinvestment of all dividends and capital gain distributions). Where indicated, figures in the table reflect the impact, if any, of certain waivers from Capital Research and Management Company. For more information about these waivers, see the fund's statement of additional information and annual report. The information in the Financial Highlights table has been audited by PricewaterhouseCoopers LLP, whose current report, along with the funds' financial statements, is included in the statement of additional information, which is available upon request. Figures shown do not reflect insurance contract fees and expenses. If insurance contract fees and expenses were reflected, results would be lower.

	(Loss) income from investment operations <sup>1</sup>	
--	--	--







	(Loss) income from investment operations <sup>1</sup>	Dividends and distributions	
Year ended			
	Net asset value,		

Year ended	Net asset value, beginning of year	(Loss) income from investment operations <sup>1</sup> Net (losses) Net investment income	Dividends and distributions	
------------	------------------------------------	--	-----------------------------	--



Year ended	Net asset value, beginning of year	(Loss) income from investment operations <sup>1</sup>	Dividends and distributions	Net



Year ended	Net asset value, beginning of year	(Loss) income from investment operations <sup>1</sup>			Dividends and distributions	
		Net income	Net (losses) gains on securities (both realized and unrealized)	Total from operations	Dividends (from net income)	
2019	100.00	1.50	0.50	2.00	0.50	1.50
2018	98.50	1.20	0.30	1.50	0.40	1.10
2017	97.30	1.00	0.20	1.20	0.30	0.90
2016	96.30	0.80	0.10	0.90	0.20	0.70
2015	95.50	0.70	0.10	0.80	0.20	0.60
2014	94.80	0.60	0.10	0.70	0.20	0.50
2013	94.20	0.50	0.10	0.60	0.20	0.40
2012	93.70	0.40	0.10	0.50	0.20	0.30
2011	93.30	0.30	0.10	0.40	0.20	0.20
2010	93.00	0.20	0.10	0.30	0.20	0.10
2009	92.80	0.10	0.10	0.20	0.20	0.00
2008	92.70	0.00	0.10	0.10	0.20	0.00
2007	92.70	0.00	0.10	0.10	0.20	0.00
2006	92.70	0.00	0.10	0.10	0.20	0.00
2005	92.70	0.00	0.10	0.10	0.20	0.00
2004	92.70	0.00	0.10	0.10	0.20	0.00
2003	92.70	0.00	0.10	0.10	0.20	0.00
2002	92.70	0.00	0.10	0.10	0.20	0.00
2001	92.70	0.00	0.10	0.10	0.20	0.00
2000	92.70	0.00	0.10	0.10	0.20	0.00
1999	92.70	0.00	0.10	0.10	0.20	0.00
1998	92.70	0.00	0.10	0.10	0.20	0.00
1997	92.70	0.00	0.10	0.10	0.20	0.00
1996	92.70	0.00	0.10	0.10	0.20	0.00
1995	92.70	0.00	0.10	0.10	0.20	0.00
1994	92.70	0.00	0.10	0.10	0.20	0.00
1993	92.70	0.00	0.10	0.10	0.20	0.00
1992	92.70	0.00	0.10	0.10	0.20	0.00
1991	92.70	0.00	0.10	0.10	0.20	0.00
1990	92.70	0.00	0.10	0.10	0.20	0.00
1989	92.70	0.00	0.10	0.10	0.20	0.00
1988	92.70	0.00	0.10	0.10	0.20	0.00
1987	92.70	0.00	0.10	0.10	0.20	0.00
1986	92.70	0.00	0.10	0.10	0.20	0.00
1985	92.70	0.00	0.10	0.10	0.20	0.00
1984	92.70	0.00	0.10	0.10	0.20	0.00
1983	92.70	0.00	0.10	0.10	0.20	0.00
1982	92.70	0.00	0.10	0.10	0.20	0.00
1981	92.70	0.00	0.10	0.10	0.20	0.00
1980	92.70	0.00	0.10	0.10	0.20	0.00
1979	92.70	0.00	0.10	0.10	0.20	0.00
1978	92.70	0.00	0.10	0.10	0.20	0.00
1977	92.70	0.00	0.10	0.10	0.20	0.00
1976	92.70	0.00	0.10	0.10	0.20	0.00
1975	92.70	0.00	0.10	0.10	0.20	0.00
1974	92.70	0.00	0.10	0.10	0.20	0.00
1973	92.70	0.00	0.10	0.10	0.20	0.00
1972	92.70	0.00	0.10	0.10	0.20	0.00
1971	92.70	0.00	0.10	0.10	0.20	0.00
1970	92.70	0.00	0.10	0.10	0.20	0.00
1969	92.70	0.00	0.10	0.10	0.20	0.00
1968	92.70	0.00	0.10	0.10	0.20	0.00
1967	92.70	0.00	0.10	0.10	0.20	0.00
1966	92.70	0.00	0.10	0.10	0.20	0.00
1965	92.70	0.00	0.10	0.10	0.20	0.00
1964	92.70	0.00	0.10	0.10	0.20	0.00
1963	92.70	0.00	0.10	0.10	0.20	0.00
1962	92.70	0.00	0.10	0.10	0.20	0.00
1961	92.70	0.00	0.10	0.10	0.20	0.00
1960	92.70	0.00	0.10	0.10	0.20	0.00
1959	92.70	0.00	0.10	0.10	0.20	0.00
1958	92.70	0.00	0.10	0.10	0.20	0.00
1957	92.70	0.00	0.10	0.10	0.20	0.00
1956	92.70	0.00	0.10	0.10	0.20	0.00
1955	92.70	0.00	0.10	0.10	0.20	0.00
1954	92.70	0.00	0.10	0.10	0.20	0.00
1953	92.70	0.00	0.10	0.10	0.20	0.00
1952	92.70	0.00	0.10	0.10	0.20	0.00
1951	92.70	0.00	0.10	0.10	0.20	0.00
1950	92.70	0.00	0.10	0.10	0.20	0.00
1949	92.70	0.00	0.10	0.10	0.20	0.00
1948	92.70	0.00	0.10	0.10	0.20	0.00
1947	92.70	0.00	0.10	0.10	0.20	0.00
1946	92.70	0.00	0.10	0.10	0.20	0.00
1945	92.70	0.00	0.10	0.10	0.20	0.00
1944	92.70	0.00	0.10	0.10	0.20	0.00
1943	92.70	0.00	0.10	0.10	0.20	0.00
1942	92.70	0.00	0.10	0.10	0.20	0.00
1941	92.70	0.00	0.10	0.10	0.20	0.00
1940	92.70	0.00	0.10	0.10	0.20	0.00
1939	92.70	0.00	0.10	0.10	0.20	0.00
1938	92.70	0.00	0.10	0.10	0.20	0.00
1937	92.70	0.00	0.10	0.10	0.20	0.00
1936	92.70	0.00	0.10	0.10	0.20	0.00
1935	92.70	0.00	0.10	0.10	0.20	0.00
1934	92.70	0.00	0.10	0.10	0.20	0.00
1933	92.70	0.00	0.10	0.10	0.20	0.00
1932	92.70	0.00	0.10	0.10	0.20	0.00
1931	92.70	0.00	0.10	0.10	0.20	0.00
1930	92.70	0.00	0.10	0.10	0.20	0.00
1929	92.70	0.00	0.10	0.10	0.20	0.00
1928	92.70	0.00	0.10	0.10	0.20	0.00
1927	92.70	0.00	0.10	0.10	0.20	0.00
1926	92.70	0.00	0.10	0.10	0.20	0.00
1925	92.70	0.00	0.10	0.10	0.20	0.00
1924	92.70	0.00	0.10	0.10	0.20	0.00
1923	92.70	0.00	0.10	0.10	0.20	0.00
1922	92.70	0.00	0.10	0.10	0.20	0.00
1921	92.70	0.00	0.10	0.10	0.20	0.00
1920	92.70	0.00	0.10	0.10	0.20	0.00
1919	92.70	0.00	0.10	0.10	0.20	0.00
1918	92.70	0.00	0.10	0.10	0.20	0.00
1917	92.70	0.00	0.10	0.10	0.20	0.00
1916	92.70	0.00	0.10	0.10	0.20	0.00
1915	92.70	0.00	0.10	0.10	0.20	0.00
1914	92.70	0.00	0.10	0.10	0.20	0.00
1913	92.70	0.00	0.10	0.10	0.20	0.00
1912	92.70	0.00	0.10	0.10	0.20	0.00
1911	92.70	0.00	0.10	0.10	0.20	0.00
1910	92.70	0.00	0.10	0.10	0.20	0.00
1909	92.70	0.00	0.10	0.10	0.20	0.00
1908	92.70	0.00	0.10	0.10	0.20	0.00
1907	92.70	0.00	0.10	0.10	0.20	0.00
1906	92.70	0.00	0.10	0.10	0.20	0.00
1905	92.70	0.00	0.10	0.10	0.20	0.00
1904	92.70	0.00	0.10	0.10	0.20	0.00
1903	92.70	0.00	0.10	0.10	0.20	0.00
1902	92.70	0.00	0.10	0.10	0.20	0.00
1901	92.70	0.00	0.10	0.10	0.20	0.00
1900	92.70	0.00	0.10	0.10	0.20	0.00

Year ended	Net asset value, beginning of year	Net investment income	(Loss) income from investment operations <sup>1</sup> Net (losses) gains on securities (both	Dividends and distributions	

Year ended	Net asset value, beginning of year	(Loss) income from investment operations <sup>1</sup>		Total from	Dividends and distributions	
		Net investment income	Net (losses) gains on securities (both realized and unrealized)			



Portfolio turnover rate for all share classes excluding mortgage dollar roll transactions <sup>7</sup>	Year ended December 31,				
	2022	2021	2020	2019	2018
Capital Income Builder	48%	60%	110%	44%	42%
Asset Allocation Fund	42	45	49	47	34
American Funds Global Balanced Fund	111	36	68	60	30
American Funds Mortgage Fund	56	38	123	84	60
Capital World Bond Fund	114	64	88	110	78
The Bond Fund of America	77	87	72	146	98
U.S. Government Securities Fund	77	126	112	103	76

  

Portfolio turnover rate for all share classes including mortgage dollar roll transactions, if applicable <sup>7</sup>	Year ended December 31,				
	2022	2021	2020	2019	2018
Global Growth Fund	29%	18%	17%	14%	25%

**Other fund information** Shares of the Series are currently offered to insurance company separate accounts funding both variable annuity contracts and variable life insurance policies. Interests of various contract owners participating in the Series may be in conflict. The board of trustees of the