

**1. The table under the heading “The Capital System<sup>SM</sup>” in the “Management and organization” section of the prospectus is amended in its entirety to read as follows:**

| <b>Portfolio manager for the Series/Title (if applicable)</b> | <b>Primary title with investment adviser (or affiliate) and investment experience</b>   | <b>Portfolio manager’s role in management of, and experience in, the fund(s)</b>  |
|---|---|---|
| <b>Donald D. O’Neal</b> President and Trustee                 | Partner – Capital International Investors<br>Investment professional for 33 years, all with Capital Research and Management Company or affiliate                    | Serves as an equity portfolio manager for: Growth-Income Fund – 13 years  |
| <b>Alan N. Berro</b> President                                | Partner – Capital World Investors<br>Investment professional for 32 years in total; 27 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for: Asset Allocation Fund – 18 years   |
| <b>Carl M. Kawaja</b> Vice President                          | Partner – Capital World Investors<br>Investment professional for 31 years in total; 27 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for: New World Fund – 19 years  |
| <b>Sung Lee</b> Vice President                                | Partner – Capital Research Global Investors<br>Investment professional for 24 years, all with Capital Research and Management Company or affiliate                  | Serves as an equity portfolio manager for: International Fund – 12 years<br>International Growth and Income Fund – 10 years                       |
| <b>S. Keiko McKibben</b> Vice President                       | Partner – Capital Research Global Investors<br>Investment professional for 28 years in total; 20 years with Capital Research and Management Company or affiliate    | Serves as an equity portfolio manager for: Growth-Income Fund – 4 years (plus 10 years of prior experience as an investment analyst for the fund) |
| <b>Dylan Yolles</b> Vice President                            | Partner – Capital International Investors<br>Investment professional for 21 years in total; 18 years with Capital Research and Management Company or affiliate      | Serves as an equity portfolio manager for: Growth-Income Fund – 13 years (plus 5 years of prior experience as an investment analyst for the fund) |
| <b>Hilda L. Applbaum</b>                                      | Partner – Capital World Investors<br>Investment professional for 31 years in total; 23 years with Capital Research and Management Company or affiliate              | Serves as an equity/fixed-income portfolio manager for: Global Balanced Fund – 7 years  |
| <b>Pramod Atluri</b>  | Vice President – Capital Fixed Income Investors<br>Investment professional for 20 years in total; 2 years with Capital Research and Management Company or affiliate | Serves as a fixed-income portfolio manager for: Bond Fund – 2 years   |
| <b>L. Alfonso Barroso</b>                                     | Partner – Capital Research Global Investors<br>Investment professional for 24 years, all with Capital Research and Management Company or affiliate                  | Serves as an equity portfolio manager for: International Fund – 9 years   |

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|---|---|--|
| <b>David J. Betanzos</b>                                      | Partner - Capital Fixed Income Investors<br>Investment professional for 18 years in total; 16 years with Capital Research and Management Company or affiliate       | Serves as a fixed-income portfolio manager for:<br>Capital Income Builder – 4 years<br>Mortgage Fund – 4 years<br>U.S. Government/AAA-Rated Securities Fund – 3 years  |
| <b>Mark A. Brett</b>  | Partner - Capital Fixed Income Investors<br>Investment professional for 39 years in total; 25 years with Capital Research and Management Company or affiliate       | Serves as a fixed-income portfolio manager for:<br>Global Balanced Fund – 7 years<br>Global Bond Fund – 3 years  |
| <b>Christopher D. Buchbinder</b>                              | Partner - Capital Research Global Investors<br>Investment professional for 23 years, all with Capital Research and Management Company or affiliate                  | Serves as an equity portfolio manager for:<br>Blue Chip Income and Growth Fund – 11 years  |
| <b>Mark L. Casey</b>  | Partner - Capital International Investors<br>Investment professional for 18 years, all with Capital Research and Management Company or affiliate                    | Serves as an equity portfolio manager for:<br>Growth Fund – 1 year (plus 11 years of prior experience as an investment analyst for the fund)   |
| <b>Thomas H. Chow</b>   | Vice President - Capital Fixed Income Investors<br>Investment professional for 29 years in total; 3 years with Capital Research and Management Company or affiliate | Serves as a fixed-income portfolio manager for:<br>High-Income Bond Fund – 3 years   |
| <b>Michael Cohen</b>  | Partner - Capital World Investors<br>Investment professional for 28 years in total; 18 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for:<br>Global Growth and Income Fund – Less than 1 year   |
| <b>Patrice Collette</b>                                       | Partner - Capital World Investors<br>Investment professional for 24 years in total, 18 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for:<br>Global Growth Fund – 3 years (plus 14 years of prior experience as an investment analyst for the fund)   |
| <b>David A. Daigle</b>  | Partner - Capital Fixed Income Investors<br>Investment professional for 24 years, all with Capital Research and Management Company or affiliate                     | Serves as a fixed-income portfolio manager for:<br>Asset Allocation Fund – 9 years<br>Global Bond Fund – 3 years<br>High-Income Bond Fund – 9 years (plus 9 years of prior experience as an investment analyst for the fund) |
| <b>Gerald Du Manoir</b>                                       | Partner - Capital International Investors<br>Investment professional for 28 years, all with Capital Research and Management Company or affiliate                    | Serves as an equity portfolio manager for:<br>Capital Income Builder – 1 year  |
| <b>Peter Eliot</b>  | Partner - Capital International Investors<br>Investment professional for 23 years in total; 14 years with Capital Research and Management Company or affiliate      | Serves as an equity portfolio manager for:<br>Asset Allocation Fund – 2 years  |
| <b>Paul Flynn</b>   | Partner - Capital World Investors<br>Investment professional for 22 years in total; 20 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for:<br>Global Growth Fund – 1 year<br>Global Balanced Fund – 5 years  |
| <b>J. Blair Frank</b>   | Partner - Capital Research Global Investors<br>Investment professional for 25 years in total; 24 years with Capital Research and Management Company or affiliate    | Serves as an equity portfolio manager for:<br>Global Small Capitalization Fund – 15 years<br>Growth-Income Fund – 12 years   |

| <b>Portfolio manager for the Series/Title (if applicable)</b> | <b>Primary title with investment adviser (or affiliate) and investment experience</b>  | <b>Portfolio manager's role in management of, and experience in, the fund(s)</b>   |
|---|--|--|
| <b>Bradford F. Freer</b>                                      | Partner – Capital Research Global Investors<br>Investment professional for 26 years in total; 24 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for:<br>New World Fund – 1 year (plus 13 years of prior experience as an investment analyst for the fund)<br>Global Growth and Income Fund – 4 years (plus 6 years of prior experience as an investment analyst for the fund)<br>Global Small Capitalization Fund - Less than 1 year |
| <b>Nicholas J. Grace</b>                                      | Partner – Capital Research Global Investors<br>Investment professional for 28 years in total; 24 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for:<br>New World Fund – 6 years (plus 8 years of prior experience as an investment analyst for the fund)<br>Global Growth and Income Fund – 2 years   |
| <b>David A. Hoag</b>  | Partner – Capital Fixed Income Investors<br>Investment professional for 30 years in total; 27 years with Capital Research and Management Company or affiliate    | Serves as a fixed-income portfolio manager for:<br>Bond Fund – 11 years  |
| <b>Thomas H. Høgh</b>   | Partner – Capital Fixed Income Investors<br>Investment professional for 31 years in total; 28 years with Capital Research and Management Company or affiliate    | Serves as a fixed-income portfolio manager for:<br>Global Bond Fund – 12 years   |
| <b>Claudia P. Huntington</b>                                  | Partner – Capital Research Global Investors<br>Investment professional for 45 years in total; 43 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for:<br>Global Small Capitalization Fund – 5 years<br>Growth-Income Fund – 24 years (plus 5 years of prior experience as an investment analyst for the fund)   |
| <b>Michael T. Kerr</b>  | Partner – Capital International Investors<br>Investment professional for 35 years in total; 33 years with Capital Research and Management Company or affiliate   | Serves as an equity portfolio manager for:<br>Growth Fund – 13 years   |
| <b>Jonathan Knowles</b>                                       | Partner – Capital World Investors<br>Investment professional for 26 years, all with Capital Research and Management Company or affiliate                         | Serves as an equity portfolio manager for:<br>Global Growth Fund – 5 years (plus 10 years of prior experience as an investment analyst for the fund)   |
| <b>Harold H. La</b>   | Partner – Capital Research Global Investors<br>Investment professional for 20 years in total; 19 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for:<br>Global Small Capitalization Fund – 10 years (plus 4 years of prior experience as an investment analyst for the fund)   |
| <b>Jeffrey T. Lager</b>                                       | Partner – Capital International Investors<br>Investment professional for 23 years in total; 22 years with Capital Research and Management Company or affiliate   | Serves as an equity portfolio manager for:<br>Asset Allocation Fund – 11 years   |
| <b>Jin Lee</b>  | Partner – Capital World Investors<br>Investment professional for 22 years in total; 21 years with Capital Research and Management Company or affiliate           | Serves as an equity portfolio manager for:<br>Asset Allocation Fund – Less than 1 year   |
| <b>Steven D. Lotwin</b>                                       | Partner – Capital Fixed Income Investors<br>Investment professional for 17 years, all with Capital Research and Management Company or affiliate                  | Serves as a fixed-income portfolio manager for:<br>Ultra-Short Bond Fund – Less than 1 year  |
| <b>James B. Lovelace</b>                                      | Partner – Capital Research Global Investors<br>Investment professional for 36 years, all with Capital Research and Management Company or affiliate               | Serves as an equity portfolio manager for:<br>Blue Chip Income and Growth Fund – 11 years  |

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|---|--|---|
| <b>Jesper Lyckeus</b>   | Partner - Capital Research Global Investors<br>Investment professional for 23 years in total; 22 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for: International Fund – 11 years (plus 8 years of prior experience as an investment analyst for the fund)<br>International Growth and Income Fund – 10 years              |
| <b>Fergus N. MacDonald</b>                                    | Partner - Capital Fixed Income Investors<br>Investment professional for 26 years in total; 15 years with Capital Research and Management Company or affiliate    | Serves as a fixed-income portfolio manager for: Mortgage Fund – 7 years<br>U.S. Government/AAA-Rated Securities Fund – 8 years  |
| <b>James R. Mulally</b>                                       | Partner - Capital Fixed Income Investors<br>Investment professional for 42 years in total; 38 years with Capital Research and Management Company or affiliate    | Serves as a fixed-income portfolio manager for: Asset Allocation Fund – 12 years  |
| <b>Robert H. Neithart</b>                                     | Partner - Capital Fixed Income Investors<br>Investment professional for 31 years, all with Capital Research and Management Company or affiliate                  | Serves as a fixed-income portfolio manager for: New World Fund – 6 years (plus 2 years of prior experience as an investment analyst for the fund)<br>Global Balanced Fund – 7 years<br>Global Bond Fund – 5 years |
| <b>Aidan O'Connell</b>  | Partner - Capital Research Global Investors<br>Investment professional for 20 years in total; 14 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for: Global Small Capitalization Fund – 4 years (plus 9 years of prior experience as an investment analyst for the fund)  |
| <b>John R. Queen</b>  | Partner - Capital Fixed Income Investors<br>Investment professional for 27 years in total; 15 years with Capital Research and Management Company or affiliate    | Serves as a fixed-income portfolio manager for: Asset Allocation Fund – 2 years   |
| <b>Andraz Razen</b>   | Partner - Capital World Investors<br>Investment professional for 20 years in total; 14 years with Capital Research and Management Company or affiliate           | Serves as an equity portfolio manager for: Growth Fund – 5 years (plus 3 years of prior experience as an investment analyst for the fund)   |
| <b>David M. Riley</b>   | Partner - Capital Research Global Investors<br>Investment professional for 24 years, all with Capital Research and Management Company or affiliate               | Serves as an equity portfolio manager for: International Growth and Income Fund – 10 years  |
| <b>William L. Robbins</b>                                     | Partner - Capital International Investors<br>Investment professional for 26 years in total; 23 years with Capital Research and Management Company or affiliate   | Serves as an equity portfolio manager for: Growth-Income Fund – 6 years (plus 12 years of prior experience as an investment analyst for the fund)   |
| <b>Martin Romo</b>  | Partner - Capital Research Global Investors<br>Investment professional for 26 years in total; 25 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for: Growth Fund – 2 years (plus 15 years of prior experience as an investment analyst for the fund)  |
| <b>Lawrence R. Solomon</b>                                    | Partner - Capital Research Global Investors<br>Investment professional for 34 years in total; 33 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for: Blue Chip Income and Growth Fund – Less than 1 year  |
| <b>Andrew B. Suzman</b>                                       | Partner - Capital World Investors<br>Investment professional for 25 years, all with Capital Research and Management Company or affiliate                         | Serves as an equity portfolio manager for: Global Growth and Income Fund – 9 years  |
| <b>Tomonori Tani</b>  | Partner - Capital World Investors<br>Investment professional for 17 years in total; 14 years with Capital Research and Management Company or affiliate           | Serves as an equity portfolio manager for: New World Fund – Less than 1 year<br>Global Balanced Fund – 1 year   |

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|---|---|---|
| <b>James Terrile</b>  | Partner - Capital Research Global Investors<br>Investment professional for 23 years in total; 22 years with Capital Research and Management Company or affiliate    | Serves as an equity portfolio manager for: Blue Chip Income and Growth Fund – 6 years   |
| <b>Christopher Thomsen</b>                                    | Partner - Capital Research Global Investors<br>Investment professional for 21 years, all with Capital Research and Management Company or affiliate                  | Serves as an equity portfolio manager for: International Fund – 12 years  |
| <b>Tara L. Torrens</b>  | Partner - Capital Fixed Income Investors<br>Investment professional for 15 years, all with Capital Research and Management Company or affiliate                     | Serves as a fixed-income portfolio manager for: High-Income Bond Fund - Less than 1 year  |
| <b>Ritchie Tuazon</b>   | Vice President - Capital Fixed Income Investors<br>Investment professional for 18 years in total; 7 years with Capital Research and Management Company or affiliate | Serves as a fixed-income portfolio manager for: U.S. Government/AAA-Rated Securities Fund – 3 years   |
| <b>Shannon Ward</b>   | Vice President - Capital Fixed Income Investors<br>Investment professional for 26 years in total; 1 year with Capital Research and Management Company or affiliate  | Serves as a fixed-income portfolio manager for: High-Income Bond Fund – 1 year  |
| <b>Steven T. Watson</b>                                       | Partner - Capital International Investors<br>Investment professional for 31 years in total; 28 years with Capital Research and Management Company or affiliate      | Serves as an equity portfolio manager for: Capital Income Builder – Less than 1 year  |
| <b>Gregory W. Wendt</b>                                       | Partner - Capital Research Global Investors<br>Investment professional for 31 years, all with Capital Research and Management Company or affiliate                  | Serves as an equity portfolio manager for: Global Small Capitalization Fund – 6 years (plus 14 years of prior experience as an investment analyst for the fund) |
| <b>Alan J. Wilson</b>   | Partner - Capital World Investors<br>Investment professional for 33 years in total; 27 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for: Growth Fund – 4 years  |
| <b>Philip Winston</b>   | Partner - Capital International Investors<br>Investment professional for 33 years in total; 21 years with Capital Research and Management Company or affiliate      | Serves as an equity portfolio manager for: Capital Income Builder – 4 years   |

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High-Income Bond Fund

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## High-Income Bond Fund

**Investment objectives** The fund's primary investment objective is to provide a high level of current income. Its secondary investment objective is capital appreciation.

**Fees and expenses of the fund** This table describes the fees and expenses that you may pay if you buy and hold an interest in Class 2 shares of the fund. It does not reflect insurance contract fees and expenses. If insurance contract fees and expenses were reflected, expenses shown would be higher.

| Annual fund operating expenses (expenses that you pay each year as a percentage of the value of your investment) | Class 2 |
|--|---------|
| Management fee   | 0.47%   |
| Distribution and/or service (12b-1) fees   | 0.25    |
| Other expenses   | 0.02    |
| Total annual fund operating expenses   | 0.74    |

**Example** This example is intended to help you compare the cost of investing in Class 2 shares of the fund with the cost of investing in other mutual funds.

The example assumes that you invest \$10,000 in the fund for the time periods indicated and then redeem all of your shares at the end of those periods. The example also assumes that your investment has a 5% return each year and that the fund's operating expenses remain the same. The example does not reflect insurance contract expenses. If insurance contract expenses were reflected, expenses shown would be higher. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

|         | 1 year | 3 years | 5 years | 10 years |
|---------|--------|---------|---------|----------|
| Class 2 | \$76   | \$237   | \$411   | \$918    |

**Portfolio turnover** The fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund's investment results. During the most recent fiscal year, the fund's portfolio turnover rate was 78% of the average value of its portfolio.

**Principal investment strategies** The fund invests primarily in higher yielding and generally lower quality debt securities (rated Ba1 or below or BB+ or below by Nationally Recognized Statistical Rating Organizations designated by the fund's investment adviser or unrated but determined by the fund's investment adviser to be of equivalent quality), including corporate loan obligations. Such securities are sometimes referred to as "junk bonds" and may be represented by other investment instruments, including derivatives.

The fund may also invest in certain derivative instruments, such as futures contracts and swaps. A derivative is a financial contract, the value of which is based on the value of an underlying financial asset (such as a stock, bond or currency), a reference rate or a market index. The fund may invest in a derivative only if, in the opinion of the investment adviser, the expected risks and rewards of the proposed investment are consistent with the investment objectives and strategies of the fund as disclosed in this prospectus and in the fund's statement of additional information.

The fund is designed for investors seeking a high level of current income and who are able to tolerate greater credit risk and price fluctuations than those that exist in funds investing in higher quality debt securities.

The investment adviser uses a system of multiple portfolio managers in managing the fund's assets. Under this approach, the portfolio of the fund is divided into segments managed by individual managers who decide how their respective segments will be invested.

The fund relies on the professional judgment of its investment adviser to make decisions about the fund's portfolio investments. The basic investment philosophy of the investment adviser is to seek to invest in attractively valued securities that, in its opinion, represent good, long-term investment opportunities. The investment adviser believes that an important way to accomplish this is through fundamental analysis, which may include meeting with company executives and employees, suppliers, customers and competitors. Securities may be sold when the investment adviser believes that they no longer represent relatively attractive investment opportunities.

## Principal risks

**This section describes the principal risks associated with the fund's principal investment strategies. 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.**

*Market conditions* – The prices of, and the income generated by, the 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; overall market changes; local, regional or global political, social or economic instability; governmental or governmental agency responses to economic conditions; and currency exchange rate, interest rate and commodity price fluctuations.

*Issuer risks* – The prices of, and the income generated by, securities held by the fund may decline in response to various factors directly related to the issuers of such securities, including reduced demand for an issuer's goods or services, poor management performance and strategic initiatives such as mergers, acquisitions or dispositions and the market response to any such initiatives.

*Investing in lower rated debt instruments* – Lower rated bonds and other lower rated debt securities generally have higher rates of interest and involve greater risk of default or price declines due to changes in the issuer's creditworthiness than those of higher quality debt securities. The market prices of these securities may fluctuate more than the prices of higher quality debt securities and may decline significantly in periods of general economic difficulty. These risks may be increased with respect to investments in junk bonds.

*Investing in debt instruments* – The prices of, and the income generated by, bonds and other debt securities held by the fund may be affected by changing interest rates and by changes in the effective maturities and credit ratings of these securities.

Rising interest rates will generally cause the prices of bonds and other debt securities to fall. Falling interest rates may cause an issuer to redeem, call or refinance a debt security before its stated maturity, which may result in the fund having to reinvest the proceeds in lower yielding securities. Longer maturity debt securities generally have greater sensitivity to changes in interest rates and may be subject to greater price fluctuations than shorter maturity debt securities.

Bonds and other debt securities are also subject to credit risk, which is the possibility that the credit strength of an issuer will weaken and/or an issuer of a debt security will fail to make timely payments of principal or interest and the security will go into default. Lower quality debt securities generally have higher rates of interest and may be subject to greater price fluctuations than higher quality debt securities. Credit risk is gauged, in part, by the credit ratings of the debt securities in which the fund invests. However, ratings are only the opinions of the rating agencies issuing them and are not guarantees as to credit quality or an evaluation of market risk. The fund's investment adviser relies on its own credit analysts to research issuers and issues in seeking to mitigate various credit and default risks.

*Investing in derivatives* – The use of derivatives involves a variety of risks, which may be different from, or greater than, the risks associated with investing in traditional cash securities, such as stocks and bonds. Changes in the value of a derivative may not correlate perfectly with, and may be more sensitive to market events than, the underlying asset, rate or index, and a derivative instrument may expose the fund to losses in excess of its initial investment. Derivatives may be difficult for the fund to buy or sell at an opportune time or price and may be difficult to terminate or otherwise offset. The fund's use of derivatives may result in losses to the fund, and investing in derivatives may reduce the fund's returns and increase the fund's price volatility. The fund's counterparty to a derivative transaction (including, if applicable, the fund's clearing broker, the derivatives exchange or the clearinghouse) may be unable or unwilling to honor its financial obligations in respect of the transaction.

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

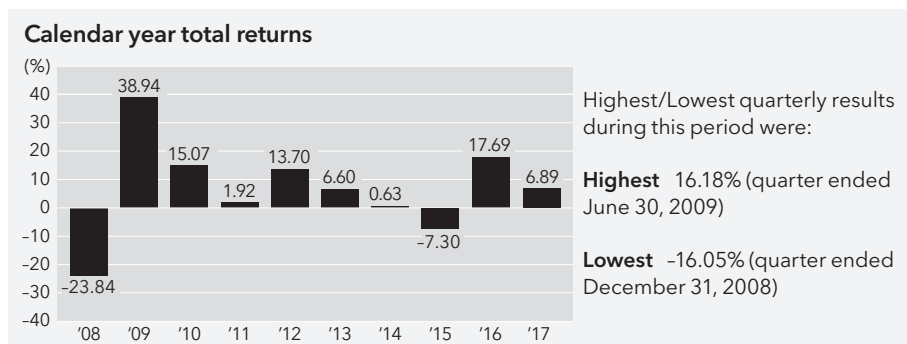
*Investing outside the United States* – Securities of issuers domiciled outside the United States, or with significant operations or revenues outside the United States, may lose value because of adverse political, social, economic or market developments (including social instability, regional conflicts, terrorism and war) in the countries or regions in which the issuers operate or generate revenue. These securities may also lose value due to changes in foreign currency exchange rates against the U.S. dollar and/or currencies of other countries. Issuers of these securities may be more susceptible to actions of foreign governments, such as the imposition of price controls or punitive taxes, that could adversely impact the value of these securities. Securities markets in certain countries may be more volatile and/or less liquid than those in the United States. Investments outside the United States may also be subject to different accounting practices and different regulatory, legal and reporting standards and practices, and may be more difficult to value, than those in the United States. In addition, the value of investments outside the United States may be reduced by foreign taxes, including foreign withholding taxes on interest and dividends. Further, there may be increased risks of delayed settlement of securities purchased or sold by the fund. The risks of investing outside the United States may be heightened in connection with investments in emerging markets.

*Management* – The investment adviser to the fund actively manages the fund's investments. Consequently, the fund is subject to the risk that the methods and analyses employed by the investment adviser in this process may not produce the desired results. This could cause the fund to lose value or its investment results to lag relevant benchmarks or other funds with similar objectives.

Your investment in the fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency, entity or person. You should consider how this fund fits into your overall investment program.



**Investment results** The following bar chart shows how the investment results of the Class 2 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 Lipper High Yield Funds Average includes mutual funds that disclose investment objectives and/or strategies reasonably comparable to those of the fund. 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 lower. Updated information on the fund's investment results can be obtained by visiting [americanfunds.com/afis](http://americanfunds.com/afis).



| <b>Average annual total returns</b> For the periods ended December 31, 2017:   | <b>1 year</b> | <b>5 years</b> | <b>10 years</b> | <b>Lifetime*</b> |
|--|---------------|----------------|-----------------|------------------|
| Fund   | 6.89%         | 4.58%          | 5.85%           | 8.61%            |
| Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped Index (reflects no deduction for sales charges, account fees, expenses or U.S. federal income taxes) | 7.50          | 5.78           | 8.09            | N/A              |
| Lipper High Yield Funds Average (reflects no deduction for sales charges, account fees or U.S. federal income taxes)   | 6.58          | 4.63           | 6.43            | 7.69             |

\* Lifetime results are from February 8, 1984, the date the fund began investment operations. Class 2 shares began investment operations on April 30, 1997; therefore, results for the fund prior to that date assume a hypothetical investment in Class 1 shares, but reflect the .25% annual expense that applies to Class 2 shares and is described in the "Plan of distribution" section of this prospectus. Results for Class 1 shares are comparable to those of Class 2 shares because both classes invest in the same portfolio of securities.

## Management

**Investment adviser** Capital Research and Management Company<sup>SM</sup>

**Portfolio managers** The individuals primarily responsible for the portfolio management of the fund are:

| <b>Portfolio manager/<br/>Series title (if applicable)</b> | <b>Portfolio manager<br/>experience in this fund</b> | <b>Primary title<br/>with investment adviser</b> |
|--|--|--|
| <b>Thomas H. Chow</b>                                      | 3 years  | Vice President - Capital Fixed Income Investors  |
| <b>David A. Daigle</b>                                     | 9 years  | Partner - Capital Fixed Income Investors         |
| <b>Shannon Ward</b>  | 1 year   | Vice President - Capital Fixed Income Investors  |

**Tax information** See your variable insurance contract prospectus for information regarding the federal income tax treatment of your variable insurance contract and related distributions.

**Payments to broker-dealers and other financial intermediaries** If you purchase shares of the fund through a broker-dealer or other financial intermediary (such as an insurance company), the fund and the fund's distributor or its affiliates may pay the intermediary for the sale of fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your individual financial advisor to recommend the fund over another investment. Ask your individual financial advisor or visit your financial intermediary's website for more information. The fund is not sold directly to the general public but instead is offered as an underlying investment option for variable insurance contracts. In addition to payments described above, the fund and its related companies may make payments to the sponsoring insurance company (or its affiliates) for distribution and/or other services. These payments may be a factor that the insurance company considers in including the fund as an underlying investment option in the variable insurance contract. The prospectus (or other offering document) for your variable insurance contract may contain additional information about these payments.

## Investment objectives, strategies and risks

**High-Income Bond Fund** The fund's primary investment objective is to provide a high level of current income. Its secondary investment objective is capital appreciation. While it has no present intention to do so, the fund's board may change the fund's investment objectives without shareholder approval upon 60 days' written notice to shareholders.

The fund invests primarily in higher yielding and generally lower quality debt securities (rated Ba1 or below or BB+ or below by Nationally Recognized Statistical Rating Organizations designated by the fund's investment adviser or unrated but determined by the fund's investment adviser to be of equivalent quality), including corporate loan obligations. Such securities are sometimes referred to as "junk bonds" and may be represented by other investment instruments, including derivatives. Generally, the fund may invest in debt securities of any maturity or duration.

The fund may also invest in certain derivative instruments. A derivative is a financial contract, the value of which is based on the value of an underlying financial asset (such as a stock, bond or currency), a reference rate or a market index. The fund may invest in a derivative only if, in the opinion of the investment adviser, the expected risks and rewards of the proposed investment are consistent with the investment objectives and strategies of the fund as disclosed in this prospectus and in the fund's statement of additional information.

Among other derivative instrument types, the fund may invest in futures contracts and interest rate swaps in order to seek to manage the fund's sensitivity to interest rates, and in credit default swap indices, or CDX, in order to assume exposure to a diversified portfolio of credits or to hedge against existing credit risks. A futures contract is a standardized exchange-traded agreement to buy or sell a specific quantity of an underlying asset, rate or index at an agreed-upon price at a stipulated future date. An interest rate swap is an agreement between two parties to exchange or swap payments based on changes in one or more interest rates, one of which is typically fixed and the other of which is typically a floating rate based on a designated short-term interest rate, such as the London Interbank Offered Rate, prime rate or other benchmark. A CDX is based on a portfolio of credit default swaps with similar characteristics, such as credit default swaps on high-yield bonds. In a typical CDX transaction, one party - the protection buyer - is obligated to pay the other party - the protection seller - a stream of periodic payments over the term of the contract, provided generally that no credit event on an underlying reference obligation has occurred. If such a credit event has occurred, the protection seller must pay the protection buyer the loss on those credits.

The fund may also hold cash or money market instruments, including commercial paper and short-term securities issued by the U.S. government, its agencies and instrumentalities. The percentage of the fund invested in such holdings varies and depends on various factors, including market conditions and purchases and redemptions of fund shares. The investment adviser may determine that it is appropriate to invest a substantial portion of the fund's assets in such instruments in response to certain circumstances, such as periods of market turmoil. In addition, for temporary defensive purposes, the fund may invest without limitation in such instruments. A larger amount of such holdings could moderate a fund's investment results in a period of rising market prices. Alternatively, a larger percentage of such holdings could reduce the magnitude of a fund's loss in a period of falling market prices and provide liquidity to make additional investments or to meet redemptions.

The following are principal risks associated with the fund's investment strategies.

*Market conditions* – The prices of, and the income generated by, the 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; overall market changes; local, regional or global political, social or economic instability; governmental or governmental agency responses to economic conditions; and currency exchange rate, interest rate and commodity price fluctuations.

*Issuer risks* – The prices of, and the income generated by, securities held by the fund may decline in response to various factors directly related to the issuers of such securities, including reduced demand for an issuer's goods or services, poor management performance and strategic initiatives such as mergers, acquisitions or dispositions and the market response to any such initiatives.

*Investing in lower rated debt instruments* – Lower rated bonds and other lower rated debt securities generally have higher rates of interest and involve greater risk of default or price declines due to changes in the issuer's creditworthiness than those of higher quality debt securities. The market prices of these securities may fluctuate more than the prices of higher quality debt securities and may decline significantly in periods of general economic difficulty. These risks may be increased with respect to investments in junk bonds.

*Investing in debt instruments* – The prices of, and the income generated by, bonds and other debt securities held by the fund may be affected by changing interest rates and by changes in the effective maturities and credit ratings of these securities.

Rising interest rates will generally cause the prices of bonds and other debt securities to fall. Falling interest rates may cause an issuer to redeem, call or refinance a debt security before its stated maturity, which may result in the fund having to reinvest the proceeds in lower yielding securities. Longer maturity debt securities generally have greater sensitivity to changes in interest rates and may be subject to greater price fluctuations than shorter maturity debt securities.

Bonds and other debt securities are also subject to credit risk, which is the possibility that the credit strength of an issuer will weaken and/or an issuer of a debt security will fail to make timely payments of principal or interest and the security will go into default. Lower quality debt securities generally have higher rates of interest and may be subject to greater price fluctuations than higher quality debt securities. Credit risk is gauged, in part, by the credit ratings of the debt securities in which the fund invests. However, ratings are only the opinions of the rating agencies issuing them and are not guarantees as to credit quality or an evaluation of market risk. The fund's investment adviser relies on its own credit analysts to research issuers and issues in seeking to mitigate various credit and default risks.

*Investing in derivatives* – The use of derivatives involves a variety of risks, which may be different from, or greater than, the risks associated with investing in traditional cash securities, such as stocks and bonds. Changes in the value of a derivative may not correlate perfectly with, and may be more sensitive to market events than, the underlying asset, rate or index, and a derivative instrument may expose the fund to losses in excess of its initial investment. Derivatives may be difficult for the fund to buy or sell at an opportune time or price and may be difficult to terminate or otherwise offset. The fund's use of derivatives may result in losses to the fund, and investing in derivatives may reduce the fund's returns and increase the fund's price volatility. The fund's counterparty to a derivative transaction (including, if applicable, the fund's clearing broker, the derivatives exchange or the clearinghouse) may be unable or unwilling to honor its financial obligations in respect of the transaction.

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

*Investing outside the United States* – Securities of issuers domiciled outside the United States, or with significant operations or revenues outside the United States, may lose value because of adverse political, social, economic or market developments (including social instability, regional conflicts, terrorism and war) in the countries or regions in which the issuers operate or generate revenue. These securities may also lose value due to changes in foreign currency exchange rates against the U.S. dollar and/or currencies of other countries. Issuers of these securities may be more susceptible to actions of foreign governments, such as the imposition of price controls or punitive taxes, that could adversely impact the value of these securities. Securities markets in certain countries may be more volatile and/or less liquid than those in the United States. Investments outside the United States may also be subject to different accounting practices and different regulatory, legal and reporting standards and practices, and may be more difficult to value, than those in the United States. In addition, the value of investments outside the United States may be reduced by foreign taxes, including foreign withholding taxes on interest and dividends. Further, there may be increased risks of delayed settlement of securities purchased or sold by the fund. The risks of investing outside the United States may be heightened in connection with investments in emerging markets.

*Management* – The investment adviser to the fund actively manages the fund's investments. Consequently, the fund is subject to the risk that the methods and analyses employed by the investment adviser in this process may not produce the desired results. This could cause the fund to lose value or its investment results to lag relevant benchmarks or other funds with similar objectives.

The following are certain additional risks associated with the fund's investment strategies.

*Investing in futures contracts* – In addition to the risks generally associated with investing in derivative instruments, futures contracts are subject to the creditworthiness of the clearing organizations, exchanges and futures commission merchants with which the fund transacts. Additionally, although futures require only a small initial investment in the form of a deposit of initial margin, the amount of a potential loss on a futures contract could greatly exceed the initial amount invested. While futures contracts are generally liquid instruments, under certain market conditions futures may be deemed to be illiquid. For example, the fund may be temporarily prohibited from closing out its position in a futures contract if intraday price change limits or limits on trading volume imposed by the applicable futures exchange are triggered. If the fund is unable to close out a position on a futures contract, the fund would remain subject to the risk of adverse price movements until the fund is able to close out the futures position. The ability of the fund to successfully utilize futures contracts may depend in part upon the ability of the fund's investment adviser to accurately forecast interest rates and other economic factors and to assess and predict the impact of such economic factors on the futures in which the fund invests. If the investment adviser incorrectly forecasts economic developments or incorrectly predicts the impact of such developments on the futures in which it invests, the fund could be exposed to the risk of loss.

*Investing in swaps* – Swaps, including interest rate swaps and credit default swap indices, or CDX, are subject to many of the risks generally associated with investing in derivative instruments. Additionally, although swaps require no or only a small initial investment in the form of a deposit of initial margin, the amount of a potential loss on a swap contract could greatly exceed the initial amount invested. The use of swaps involves the risk that the investment adviser will not accurately predict anticipated changes in interest rates or other economic factors, which may result in losses to the fund. If the fund enters into a bilaterally negotiated swap transaction, the counterparty may fail to perform in accordance with the terms of the swap agreement. If a counterparty defaults on its obligations under a swap agreement, the fund may lose any amount it expected to receive from the counterparty, potentially including amounts in excess of the fund's initial investment. Certain swap transactions are subject to mandatory central clearing or may be eligible for voluntary central clearing. Although clearing interposes a central clearinghouse as the ultimate counterparty to each participant's swap, central clearing will not eliminate (but may decrease) counterparty risk relative to uncleared bilateral swaps. Some swaps, such as CDX, may be dependent on both the individual credit of the fund's counterparty and on the credit of one or more issuers of any underlying assets. If the fund does not correctly evaluate the creditworthiness of its counterparty and, where applicable, of issuers of any underlying reference assets, the fund's investment in a swap may result in losses to the fund.

*Interest rate risk* – The values and liquidity of the securities held by the fund may be affected by changing interest rates. For example, the values of these securities may decline when interest rates rise and increase when interest rates fall. Longer maturity debt securities generally have greater sensitivity to changes in interest rates and may be subject to greater price fluctuations than shorter maturity debt securities. The fund may invest in variable and floating rate securities. Although the values of such securities are generally less sensitive to interest rate changes than those of other debt securities, the value of variable and floating rate securities may decline if their interest rates do not rise as quickly, or as much, as general interest rates. Conversely, floating rate securities will not generally increase in value if interest rates decline. During periods of extremely low short-term interest rates, the fund may not be able to maintain a positive yield and, given the current historically low interest rate environment, risks associated with rising rates are currently heightened.

*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 the country, region, industry or sector than a fund without such levels of exposure. For example, if the fund has significant exposure in a particular country, then social, economic, regulatory or other issues that negatively affect that country may have a greater impact on the fund than on a fund that is more geographically diversified.

In addition to the principal investment strategies described above, the fund has other investment practices that are described in the statement of additional information, which includes a description of other risks related to the fund's principal investment strategies and other investment practices. The fund's investment results will depend on the ability of the fund's investment adviser to navigate the risks discussed above as well as those described in the statement of additional information.

**Fund comparative indexes** – The Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped Index covers the universe of fixed-rate, non-investment-grade debt. The index limits the maximum exposure of any one issuer to 2%. This index is unmanaged, and its results include reinvested distributions but do not reflect the effect of sales charges, commissions, account fees, expenses or U.S. federal income taxes. This index was not in existence on the date the fund began investment operations; therefore, lifetime results are not shown. The Lipper High Yield Funds Index is an equally weighted index of funds that aim at high (relative) current yield from fixed income securities, have no quality or maturity restrictions and tend to invest in lower grade debt issues. The results of the underlying funds in the index include the reinvestment of dividends and capital gain distributions, as well as brokerage commissions paid by the funds for portfolio transactions and other fund expenses, but do not reflect the effect of sales charges, account fees or U.S. federal income taxes.

## 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 mutual 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, 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' annual report to shareholders for the fiscal year ended December 31, 2017.

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 World Investors, Capital Research Global Investors and Capital International 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.

**Portfolio holdings** A description of the funds' policies and procedures regarding disclosure of information about their portfolio holdings is available in the statement of additional information.

**The Capital System<sup>SM</sup>** Capital Research and Management Company uses a system of multiple portfolio managers in managing mutual fund assets. Under this approach, the portfolio of a fund is divided into segments managed by individual managers who decide how their respective segments will be invested. In addition to the portfolio managers below, Capital Research and Management Company's investment analysts may make investment decisions with respect to a portion of a 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 sector allocation. Where applicable, the investment decisions made by a fund's fixed income portfolio managers are informed by the investment themes discussed by the group.

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> Vice Chairman of the Board     | Partner – Capital Research Global Investors<br>Investment professional for 33 years, all with Capital Research and Management Company or affiliate                  | Serves as an equity portfolio manager for: Growth-Income Fund – 13 years  |
| <b>Alan N. Berro</b> President                         | Partner – Capital World Investors<br>Investment professional for 32 years in total; 27 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for: Asset Allocation Fund – 18 years   |
| <b>Carl M. Kawaja</b> Vice President                   | Partner – Capital World Investors<br>Investment professional for 31 years in total; 27 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for: New World Fund – 19 years  |
| <b>Sung Lee</b> Vice President                         | Partner – Capital Research Global Investors<br>Investment professional for 24 years, all with Capital Research and Management Company or affiliate                  | Serves as an equity portfolio manager for: International Fund – 12 years<br>International Growth and Income Fund – 10 years   |
| <b>Dylan Yolles</b> Vice President                     | Partner – Capital International Investors<br>Investment professional for 21 years in total; 18 years with Capital Research and Management Company or affiliate      | Serves as an equity portfolio manager for: Growth-Income Fund – 13 years (plus 5 years of prior experience as an investment analyst for the fund)   |
| <b>Hilda L. Applbaum</b>                               | Partner – Capital World Investors<br>Investment professional for 31 years in total; 23 years with Capital Research and Management Company or affiliate              | Serves as an equity/fixed-income portfolio manager for: Global Balanced Fund – 7 years  |
| <b>Pramod Atluri</b>                                   | Vice President – Capital Fixed Income Investors<br>Investment professional for 20 years in total; 2 years with Capital Research and Management Company or affiliate | Serves as a fixed-income portfolio manager for: Bond Fund – 2 years   |
| <b>L. Alfonso Barroso</b>                              | Partner – Capital Research Global Investors<br>Investment professional for 24 years, all with Capital Research and Management Company or affiliate                  | Serves as an equity portfolio manager for: International Fund – 9 years   |
| <b>David J. Betanzos</b>                               | Partner – Capital Fixed Income Investors<br>Investment professional for 18 years in total; 16 years with Capital Research and Management Company or affiliate       | Serves as a fixed-income portfolio manager for: Capital Income Builder – 4 years<br>Mortgage Fund – 4 years<br>U.S. Government/AAA-Rated Securities Fund – 3 years  |
| <b>Mark A. Brett</b>                                   | Partner – Capital Fixed Income Investors<br>Investment professional for 39 years in total; 25 years with Capital Research and Management Company or affiliate       | Serves as a fixed-income portfolio manager for: Global Balanced Fund – 7 years<br>Global Bond Fund – 3 years  |
| <b>Christopher D. Buchbinder</b>                       | Partner – Capital Research Global Investors<br>Investment professional for 23 years, all with Capital Research and Management Company or affiliate                  | Serves as an equity portfolio manager for: Blue Chip Income and Growth Fund – 11 years  |
| <b>Mark L. Casey</b>                                   | Partner – Capital World Investors<br>Investment professional for 18 years, all with Capital Research and Management Company or affiliate                            | Serves as an equity portfolio manager for: Growth Fund – 1 year (plus 11 years of prior experience as an investment analyst for the fund)   |
| <b>Thomas H. Chow</b>                                  | Vice President – Capital Fixed Income Investors<br>Investment professional for 29 years in total; 3 years with Capital Research and Management Company or affiliate | Serves as a fixed-income portfolio manager for: High-Income Bond Fund – 3 years   |
| <b>Patrice Collette</b>                                | Partner – Capital World Investors<br>Investment professional for 24 years in total, 18 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for: Global Growth Fund – 3 years (plus 14 years of prior experience as an investment analyst for the fund)   |
| <b>David A. Daigle</b>                                 | Partner – Capital Fixed Income Investors<br>Investment professional for 24 years, all with Capital Research and Management Company or affiliate                     | Serves as a fixed-income portfolio manager for: Asset Allocation Fund – 9 years<br>Global Bond Fund – 3 years<br>High-Income Bond Fund – 9 years (plus 9 years of prior experience as an investment analyst for the fund) |
| <b>Gerald Du Manoir</b>                                | Partner – Capital International Investors<br>Investment professional for 28 years, all with Capital Research and Management Company or affiliate                    | Serves as an equity portfolio manager for: Capital Income Builder – 1 year  |
| <b>Paul Flynn</b>                                      | Partner – Capital World Investors<br>Investment professional for 22 years in total; 20 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for: Global Growth Fund – 1 year<br>Global Balanced Fund – 5 years  |
| <b>J. Blair Frank</b>                                  | Partner – Capital Research Global Investors<br>Investment professional for 25 years in total; 24 years with Capital Research and Management Company or affiliate    | Serves as an equity portfolio manager for: Global Small Capitalization Fund – 15 years<br>Growth-Income Fund – 12 years   |

| <b>Portfolio manager for the Series/Title (if applicable)</b> | <b>Primary title with investment adviser (or affiliate) and investment experience</b>  | <b>Portfolio manager's role in management of, and experience in, the fund(s)</b>  |
|---|--|---|
| <b>Bradford F. Freer</b>                                      | Partner – Capital World Investors<br>Investment professional for 26 years in total; 24 years with Capital Research and Management Company or affiliate           | Serves as an equity portfolio manager for:<br>New World Fund – 1 year (plus 13 years of prior experience as an investment analyst for the fund)<br>Global Growth and Income Fund – 4 years (plus 6 years of prior experience as an investment analyst for the fund) |
| <b>Nicholas J. Grace</b>                                      | Partner – Capital World Investors<br>Investment professional for 28 years in total; 24 years with Capital Research and Management Company or affiliate           | Serves as an equity portfolio manager for:<br>New World Fund – 6 years (plus 8 years of prior experience as an investment analyst for the fund)<br>Global Growth and Income Fund – 2 years  |
| <b>David A. Hoag</b>  | Partner – Capital Fixed Income Investors<br>Investment professional for 30 years in total; 27 years with Capital Research and Management Company or affiliate    | Serves as a fixed-income portfolio manager for:<br>Bond Fund – 11 years   |
| <b>Thomas H. Høgh</b>   | Partner – Capital Fixed Income Investors<br>Investment professional for 31 years in total; 28 years with Capital Research and Management Company or affiliate    | Serves as a fixed-income portfolio manager for:<br>Global Bond Fund – 12 years  |
| <b>Claudia P. Huntington</b>                                  | Partner – Capital Research Global Investors<br>Investment professional for 45 years in total; 43 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for:<br>Global Small Capitalization Fund – 5 years<br>Growth-Income Fund – 24 years (plus 5 years of prior experience as an investment analyst for the fund)  |
| <b>Michael T. Kerr</b>  | Partner – Capital World Investors<br>Investment professional for 35 years in total; 33 years with Capital Research and Management Company or affiliate           | Serves as an equity portfolio manager for:<br>Growth Fund – 13 years  |
| <b>Jonathan Knowles</b>                                       | Partner – Capital World Investors<br>Investment professional for 26 years, all with Capital Research and Management Company or affiliate                         | Serves as an equity portfolio manager for:<br>Global Growth Fund – 5 years (plus 10 years of prior experience as an investment analyst for the fund)  |
| <b>Lawrence Kymisis</b>                                       | Partner – Capital Research Global Investors<br>Investment professional for 23 years in total; 15 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for:<br>Global Small Capitalization Fund – 6 years  |
| <b>Harold H. La</b>   | Partner – Capital Research Global Investors<br>Investment professional for 20 years in total; 19 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for:<br>Global Small Capitalization Fund – 10 years (plus 4 years of prior experience as an investment analyst for the fund)  |
| <b>Jeffrey T. Lager</b>                                       | Partner – Capital World Investors<br>Investment professional for 23 years in total; 22 years with Capital Research and Management Company or affiliate           | Serves as an equity portfolio manager for:<br>Asset Allocation Fund – 11 years  |
| <b>Steven D. Lotwin</b>                                       | Partner – Capital Fixed Income Investors<br>Investment professional for 17 years, all with Capital Research and Management Company or affiliate                  | Serves as a fixed-income portfolio manager for:<br>Ultra-Short Bond Fund – Less than 1 year   |
| <b>James B. Lovelace</b>                                      | Partner – Capital Research Global Investors<br>Investment professional for 36 years, all with Capital Research and Management Company or affiliate               | Serves as an equity portfolio manager for:<br>Blue Chip Income and Growth Fund – 11 years   |
| <b>Jesper Lyckeus</b>   | Partner – Capital Research Global Investors<br>Investment professional for 23 years in total; 22 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for:<br>International Fund – 11 years (plus 8 years of prior experience as an investment analyst for the fund)<br>International Growth and Income Fund – 10 years   |
| <b>Fergus N. MacDonald</b>                                    | Partner – Capital Fixed Income Investors<br>Investment professional for 26 years in total; 15 years with Capital Research and Management Company or affiliate    | Serves as a fixed-income portfolio manager for:<br>Mortgage Fund – 7 years<br>U.S. Government/AAA-Rated Securities Fund – 8 years   |
| <b>James R. Mulally</b>                                       | Partner – Capital Fixed Income Investors<br>Investment professional for 42 years in total; 38 years with Capital Research and Management Company or affiliate    | Serves as a fixed-income portfolio manager for:<br>Asset Allocation Fund – 12 years   |
| <b>Robert H. Neithart</b>                                     | Partner – Capital Fixed Income Investors<br>Investment professional for 31 years, all with Capital Research and Management Company or affiliate                  | Serves as a fixed-income portfolio manager for:<br>New World Fund – 6 years (plus 2 years of prior experience as an investment analyst for the fund)<br>Global Balanced Fund – 7 years<br>Global Bond Fund – 5 years  |
| <b>Aidan O'Connell</b>  | Partner – Capital Research Global Investors<br>Investment professional for 20 years in total; 14 years with Capital Research and Management Company or affiliate | Serves as an equity portfolio manager for:<br>Global Small Capitalization Fund – 4 years (plus 9 years of prior experience as an investment analyst for the fund)   |
| <b>John R. Queen</b>  | Partner – Capital Fixed Income Investors<br>Investment professional for 27 years in total; 15 years with Capital Research and Management Company or affiliate    | Serves as a fixed-income portfolio manager for:<br>Asset Allocation Fund – 2 years  |

| 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>Andraz Razen</b>                                    | Partner – Capital World Investors<br>Investment professional for 20 years in total; 14 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for: Growth Fund – 5 years (plus 3 years of prior experience as an investment analyst for the fund)   |
| <b>David M. Riley</b>                                  | Partner – Capital Research Global Investors<br>Investment professional for 24 years, all with Capital Research and Management Company or affiliate                  | Serves as an equity portfolio manager for: International Growth and Income Fund – 10 years  |
| <b>William L. Robbins</b>                              | Partner – Capital International Investors<br>Investment professional for 26 years in total; 23 years with Capital Research and Management Company or affiliate      | Serves as an equity portfolio manager for: Growth-Income Fund – 6 years (plus 12 years of prior experience as an investment analyst for the fund)   |
| <b>Martin Romo</b>                                     | Partner – Capital World Investors<br>Investment professional for 26 years in total; 25 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for: Growth Fund – 2 years (plus 15 years of prior experience as an investment analyst for the fund)<br>Global Growth and Income Fund – 9 years (plus 1 year of prior experience as an investment analyst for the fund) |
| <b>Andrew B. Suzman</b>                                | Partner – Capital World Investors<br>Investment professional for 25 years, all with Capital Research and Management Company or affiliate                            | Serves as an equity portfolio manager for: Global Growth and Income Fund – 9 years  |
| <b>Tomonori Tani</b>                                   | Partner – Capital World Investors<br>Investment professional for 17 years in total; 14 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for: Global Balanced Fund – 1 year  |
| <b>James Terrile</b>                                   | Partner – Capital Research Global Investors<br>Investment professional for 23 years in total; 22 years with Capital Research and Management Company or affiliate    | Serves as an equity portfolio manager for: Blue Chip Income and Growth Fund – 6 years   |
| <b>Christopher Thomsen</b>                             | Partner – Capital Research Global Investors<br>Investment professional for 21 years, all with Capital Research and Management Company or affiliate                  | Serves as an equity portfolio manager for: International Fund – 12 years  |
| <b>Ritchie Tuazon</b>                                  | Vice President – Capital Fixed Income Investors<br>Investment professional for 18 years in total; 7 years with Capital Research and Management Company or affiliate | Serves as a fixed-income portfolio manager for: U.S. Government/AAA-Rated Securities Fund – 3 years   |
| <b>Shannon Ward</b>                                    | Vice President – Capital Fixed Income Investors<br>Investment professional for 26 years in total; 1 year with Capital Research and Management Company or affiliate  | Serves as a fixed-income portfolio manager for: High-Income Bond Fund – 1 year  |
| <b>Steven T. Watson</b>                                | Partner – Capital International Investors<br>Investment professional for 31 years in total; 28 years with Capital Research and Management Company or affiliate      | Serves as an equity portfolio manager for: Capital Income Builder – Less than 1 year  |
| <b>Gregory W. Wendt</b>                                | Partner – Capital Research Global Investors<br>Investment professional for 31 years, all with Capital Research and Management Company or affiliate                  | Serves as an equity portfolio manager for: Global Small Capitalization Fund – 6 years (plus 14 years of prior experience as an investment analyst for the fund)   |
| <b>Alan J. Wilson</b>                                  | Partner – Capital World Investors<br>Investment professional for 33 years in total; 27 years with Capital Research and Management Company or affiliate              | Serves as an equity portfolio manager for: Growth Fund – 4 years  |
| <b>Philip Winston</b>                                  | Partner – Capital International Investors<br>Investment professional for 33 years in total; 21 years with Capital Research and Management Company or affiliate      | Serves as an equity portfolio manager for: Capital Income Builder – 4 years   |

Information regarding the portfolio managers' compensation, their ownership of securities in the Series and other accounts they manage is in the statement of additional information.



**Purchases and redemptions of shares** Shares of the Series are currently offered only to insurance company separate accounts as well as so-called “feeder funds” under master-feeder arrangements sponsored by insurance companies as underlying investments for such insurance companies’ variable annuity contracts and variable life insurance policies. All such shares may be purchased or redeemed by the insurance company separate accounts (or feeder funds) at net asset value without any sales or redemption charges. These purchases and redemptions are made at the price next determined after such purchases and redemptions of units of the separate accounts (or feeder funds). The Series typically expects to pay redemption proceeds one business day following receipt and acceptance of a redemption order. However, payment may take longer than one business day and may take up to seven days as generally permitted by the Investment Company Act of 1940, as amended (“1940 Act”). Under the 1940 Act, the Series may be permitted to pay redemption proceeds beyond seven days under certain limited circumstances.

Under normal conditions, the Series typically expects to meet shareholder redemptions by monitoring the Series’ portfolio and redemption activities and by regularly holding a reserve of highly liquid assets, such as cash or cash equivalents. The Series may use additional methods to meet shareholder redemptions, if they become necessary. These methods may include, but are not limited to, the sale of portfolio assets, the use of overdraft protection afforded by the Series’ custodian bank, borrowing from a line of credit and making payment with fund securities or other fund assets rather than in cash (as further discussed in the following paragraph).

Although payment of redemptions normally will be in cash, the Series may pay the redemption price wholly or partly with portfolio securities or other fund assets under conditions and circumstances determined by the Series’ board of trustees. On the same redemption date, some shareholders may be paid in whole or in part in securities (which may differ among those shareholders), while other shareholders may be paid entirely in cash. The disposal of the securities received in-kind may be subject to brokerage costs and, until sold, such securities remain at market risk and liquidity risk, including the risk that such securities are or become difficult to sell. If the Series pays your redemption with illiquid or less liquid securities, you will bear the risk of not being able to sell such securities.

**Frequent trading of fund shares** The Series and American Funds Distributors, Inc., the Series' distributor, reserve the right to reject any purchase order for any reason. The funds are not designed to serve as vehicles for frequent trading. Frequent trading of fund shares may lead to increased costs to the funds and less efficient management of the funds' portfolios, potentially resulting in dilution of the value of the shares held by long-term shareholders. Accordingly, purchases, including those that are part of exchange activity, that the Series or American Funds Distributors has determined could involve actual or potential harm to a fund may be rejected.

The Series, through its transfer agent, American Funds Service Company, has agreements with the Series' insurance relationships to maintain its surveillance procedures that are designed to detect frequent trading in fund shares. The agreements generally require the insurance companies to (i) provide, upon request from a fund, the Series or their agent, certain identifying and account information regarding contract owners who invest in fund shares through an insurance company account and (ii) execute instructions from a fund, the Series or their agent to restrict further purchases or exchanges of fund shares by a contract owner who the Series has identified as having engaged in potentially harmful market timing or frequent trading. Under these procedures, various analytics are used to evaluate factors that may be indicative of frequent trading. For example, transactions in fund shares that exceed certain monetary thresholds may be scrutinized. American Funds Service Company may work with the insurance company separate accounts or feeder funds to apply their procedures that American Funds Service Company believes are reasonably designed to enforce the frequent trading policies of the Series. You should refer to disclosures provided by the insurance company with which you have a contract to determine the specific trading restrictions that apply to you.

Under its procedures, American Funds Service Company also may review transactions that occur close in time to other transactions in the same account or in multiple accounts under common ownership or influence. Trading activity that is identified through these procedures or as a result of any other information available to the funds will be evaluated to determine whether such activity might constitute frequent trading. These procedures may be modified from time to time as appropriate to improve the detection of frequent trading, to facilitate monitoring for frequent trading in particular retirement plans or other accounts and to comply with applicable laws.

In addition to the Series' broad ability to restrict potentially harmful trading as described previously, the Series' board of trustees has adopted a "purchase blocking policy" under which any contract owner redeeming units representing a beneficial interest in any fund other than Ultra-Short Bond Fund (including redemptions that are part of an exchange transaction) having a value of \$5,000 or more will be precluded from investing units of beneficial interest in that fund (including investments that are part of an exchange transaction) for 30 calendar days after the redemption transaction. Under this purchase blocking policy, certain purchases will not be prevented and certain redemptions will not trigger a purchase block, such as:

- purchases and redemptions of units representing a beneficial interest in a fund having a value of less than \$5,000;
- retirement plan contributions, loans and distributions (including hardship withdrawals) identified as such on the retirement plan recordkeeper's system;
- purchases and redemptions in community foundation accounts;
- purchase transactions involving in-kind transfers of fund shares, if the entity maintaining the contract owner's account is able to identify the transaction as one of these types of transactions; and
- systematic redemptions and purchases if the entity maintaining the contract owner's account is able to identify the transaction as a systematic redemption or purchase.

Generally, purchases and redemptions will not be considered "systematic" unless the transaction is prescheduled for a specific date.

The Series reserves the right to waive the purchase blocking policy if American Funds Service Company determines that its surveillance procedures are adequate to detect frequent trading in fund shares in such accounts.

If American Funds Service Company identifies any activity that may constitute frequent trading, it reserves the right to contact the insurance company separate account or feeder fund and request that the separate account or feeder fund either provide information regarding an account owner's transactions or restrict the account owner's trading. If American Funds Service Company is not satisfied that insurance company separate account or feeder fund has taken appropriate action, American Funds Service Company may terminate the separate account's or feeder fund's ability to transact in fund shares.

There is no guarantee that all instances of frequent trading in fund shares will be prevented.

**Notwithstanding the Series' surveillance procedures and purchase blocking policy described above, all transactions in fund shares remain subject to the right of the Series, American Funds Distributors and American Funds Service Company to restrict potentially abusive trading generally (including the types of transactions described above that will not be prevented or trigger a block under the purchase blocking policy). See the statement of additional information for more information about how American Funds Service Company may address other potentially abusive trading activity in the Series.**

**Valuing shares** The net asset value of each share class of a fund is the value of a single share of that class. Each fund calculates the net asset value each day the New York Stock Exchange is open for trading as of approximately 4 p.m. New York time, the normal close of regular trading. If, for example, the New York Stock Exchange closes at 1 p.m. New York time, the funds' net asset values would still be determined as of 4 p.m. New York time. In this example, portfolio securities traded on the New York Stock Exchange would be valued at their closing prices unless the investment adviser determines that a "fair value" adjustment is appropriate due to subsequent events.

Equity securities are valued primarily on the basis of market quotations, and debt securities are valued primarily on the basis of prices from third-party pricing services. Futures contracts are valued primarily on the basis of settlement prices. The funds have adopted procedures for making fair value determinations if market quotations or prices from third-party pricing services, as applicable, are not readily available or are not considered reliable. For example, if events occur between the close of markets outside the United States and the close of regular trading on the New York Stock Exchange that, in the opinion of the investment adviser, materially affect the value of any of the funds' equity securities that trade principally in those international markets, those securities will be valued in accordance with fair value procedures. Similarly, fair value procedures may be employed if an issuer defaults on its debt securities and there is no market for its securities. Use of these procedures is intended to result in more appropriate net asset values and, where applicable, to reduce potential arbitrage opportunities otherwise available to short-term investors.

Because certain of the funds may hold securities that are listed primarily on foreign exchanges that trade on weekends or days when the funds do not price their shares, the values of securities held in the funds may change on days when you will not be able to purchase or redeem fund shares.

Shares of the funds will be purchased or sold at the net asset value next determined after receipt of requests from the appropriate insurance company. Requests received by the appropriate insurance company prior to 4 p.m. New York time and communicated by the insurance company to the Series or its agent will be purchased or sold at that day's net asset value.

**Plan of distribution** The Series has adopted a plan of distribution or “12b-1 plan” for Class 2 shares. Under the plan, the Series may finance activities primarily intended to sell shares, provided the categories of expenses are approved in advance by the Series’ board of trustees. The plan provides for annual expenses of .25% for Class 2 shares. Amounts paid under the 12b-1 plan are used by insurance company contract issuers to cover distribution expenses and/or the expenses of certain contract owner services. The 12b-1 fees paid by the Series, as a percentage of average net assets, for the most recent fiscal year, are indicated in the prospectus in the Annual Fund Operating Expenses table for each fund. Since these fees are paid out of the Series’ assets on an ongoing basis, over time they may cost you more than paying other types of sales charges or service fees and reduce the return of an investment in Class 2 shares.

**Fund expenses** In periods of market volatility, assets of the funds may decline significantly, causing total annual fund operating expenses (as a percentage of the value of your investment) to become higher than the numbers shown in the Annual Fund Operating Expenses tables in this prospectus.

The “Other expenses” items in the Annual Fund Operating Expenses tables in this prospectus are based on expenses as of each fund’s most recently completed fiscal year. These items include third-party expenses, such as custodial, legal, audit, accounting, regulatory reporting and pricing vendor services, and an administrative services fee payable to the Series’ investment adviser for administrative services provided by the Series’ investment adviser and its affiliates.

For all share classes, “Other expenses” items in the Annual Fund Operating Expenses table in this prospectus include fees for administrative services provided by the fund’s investment adviser and its affiliates. Administrative services are provided by the investment adviser and its affiliates to help assist third parties providing non-distribution services to fund shareholders. These services include providing in depth information on the fund and market developments that impact fund investments. Administrative services also include, but are not limited to, coordinating, monitoring, assisting and overseeing third parties that provide services to fund shareholders.

The Administrative Services Agreement between the fund and the investment adviser provides the fund the ability to charge an administrative services fee of .05% for all share classes. The fund’s investment adviser currently receives an administrative services fee at the annual rate of .01% of the average daily net assets of the fund attributable to all share classes (which could be increased as noted above).

**Investment results** All fund results in the “Investment results” section of this prospectus reflect the reinvestment of dividends and capital gains distributions, if any. Unless otherwise noted, fund results reflect any fee waivers and/or expense reimbursements in effect during the period presented.

**Distributions and taxes** Each fund of the Series intends to qualify as a “regulated investment company” under the Internal Revenue Code. In any fiscal year in which a fund so qualifies and distributes to shareholders its investment company taxable income and net realized capital gain, the fund itself is relieved of federal income tax.

It is the Series’ policy to distribute to the shareholders (the insurance company separate accounts) all of its investment company taxable income and capital gain for each fiscal year.

**See the applicable contract prospectus for information regarding the federal income tax treatment of the contracts and distributions to the separate accounts.**

**Financial highlights** The Financial Highlights table is intended to help you understand a fund's results for the past five fiscal years. For Ultra-Short Bond Fund, the table includes information for periods prior to the fund's conversion on May 1, 2016 from a cash management fund to an ultra-short-term bond fund. 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.

| Period ended                            | Net asset value, beginning of period | Income (loss) from investment operations <sup>1</sup> |   |                                  | Dividends and distributions            |                                    |                                   | Net asset value, end of period | Total return       | Net assets, end of period (in millions) | Ratio of expenses to average net assets | Ratio of net income (loss) to average net assets |
|---|--------------------------------------|---|---|----------------------------------|--|------------------------------------|-----------------------------------|--------------------------------|--------------------|---|---|--|
|   |                                      | Net investment income (loss)                          | Net gains (losses) on securities (both realized and unrealized) | Total from investment operations | Dividends (from net investment income) | Distributions (from capital gains) | Total dividends and distributions |                                |                    |   |   |  |
| <b>Global Growth Fund</b>               |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| <b>Class 1:</b>                         |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                                | \$24.05                              | \$.26   | \$7.30  | \$7.56                           | \$(.26)                                | \$ (.84)                           | \$(1.10)                          | \$30.51                        | 31.80%             | \$2,010                                 | .55%                                    | .94%   |
| 12/31/16                                | 26.39                                | .25   | (.14)   | .11                              | (.29)                                  | (2.16)                             | (2.45)                            | 24.05                          | .87                | 1,630                                   | .56                                     | 1.00   |
| 12/31/15                                | 27.48                                | .25   | 1.80  | 2.05                             | (.35)                                  | (2.79)                             | (3.14)                            | 26.39                          | 7.24               | 1,626                                   | .55                                     | .90  |
| 12/31/14                                | 30.11                                | .312  | .40   | .71                              | (.40)                                  | (2.94)                             | (3.34)                            | 27.48                          | 2.52               | 1,558                                   | .55                                     | 1.082  |
| 12/31/13                                | 23.58                                | .31   | 6.62  | 6.93                             | (.40)                                  | -                                  | (.40)                             | 30.11                          | 29.51              | 1,508                                   | .55                                     | 1.17   |
| <b>Class 1A:</b>                        |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17 <sup>3,4</sup>                 | 24.50                                | .11   | 6.94  | 7.05                             | (.25)                                  | (.84)                              | (1.09)                            | 30.46                          | 29.13 <sup>5</sup> | 2                                       | .80 <sup>6</sup>                        | .39 <sup>9</sup>                                 |
| <b>Class 2:</b>                         |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                                | 23.85                                | .19   | 7.23  | 7.42                             | (.19)                                  | (.84)                              | (1.03)                            | 30.24                          | 31.47              | 4,012                                   | .80                                     | .69  |
| 12/31/16                                | 26.19                                | .18   | (.14)   | .04                              | (.22)                                  | (2.16)                             | (2.38)                            | 23.85                          | .62                | 3,483                                   | .81                                     | .76  |
| 12/31/15                                | 27.30                                | .18   | 1.78  | 1.96                             | (.28)                                  | (3.07)                             | (3.07)                            | 26.19                          | 6.94               | 3,817                                   | .80                                     | .66  |
| 12/31/14                                | 29.92                                | .242  | .41   | .65                              | (.33)                                  | (2.94)                             | (3.27)                            | 27.30                          | 2.31               | 3,992                                   | .80                                     | .85 <sup>2</sup>                                 |
| 12/31/13                                | 23.44                                | .24   | 6.58  | 6.82                             | (.34)                                  | -                                  | (.34)                             | 29.92                          | 29.18              | 4,379                                   | .80                                     | .91  |
| <b>Class 4:</b>                         |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                                | 23.81                                | .10   | 7.22  | 7.32                             | (.16)                                  | (.84)                              | (1.00)                            | 30.13                          | 31.11              | 211                                     | 1.05                                    | .37  |
| 12/31/16                                | 26.16                                | .12   | (.14)   | (.02)                            | (.17)                                  | (2.16)                             | (2.33)                            | 23.81                          | .37                | 94                                      | 1.06                                    | .50  |
| 12/31/15                                | 27.34                                | .09   | 1.81  | 1.90                             | (.29)                                  | (2.79)                             | (3.08)                            | 26.16                          | 6.69               | 91                                      | 1.05                                    | .34  |
| 12/31/14                                | 30.07                                | .07 <sup>2</sup>                                      | .50   | .57                              | (.36)                                  | (2.94)                             | (3.30)                            | 27.34                          | 2.01               | 19                                      | 1.05                                    | .26 <sup>2</sup>                                 |
| 12/31/13                                | 23.58                                | .13   | 6.77  | 6.90                             | (.41)                                  | -                                  | (.41)                             | 30.07                          | 29.36              | 1                                       | 1.06                                    | .43  |
| <b>Global Small Capitalization Fund</b> |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| <b>Class 1:</b>                         |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                                | \$20.24                              | \$.12   | \$5.17  | \$5.29                           | \$(.15)                                | \$ -                               | \$(.15)                           | \$25.38                        | 26.22%             | \$1,639                                 | .73%                                    | .54%   |
| 12/31/16                                | 24.41                                | .12   | .17   | .29                              | (.11)                                  | (4.35)                             | (4.46)                            | 20.24                          | 2.35               | 1,532                                   | .74                                     | .57  |
| 12/31/15                                | 26.09                                | .04   | .36   | .40                              | -                                      | (2.08)                             | (2.08)                            | 24.41                          | .50                | 1,706                                   | .73                                     | .15  |
| 12/31/14                                | 25.69                                | .09   | .52   | .61                              | (.09)                                  | (.12)                              | (.21)                             | 26.09                          | 2.36               | 1,411                                   | .74                                     | .34  |
| 12/31/13                                | 20.16                                | .04   | 5.70  | 5.74                             | (.21)                                  | -                                  | (.21)                             | 25.69                          | 28.60              | 1,241                                   | .74                                     | .17  |
| <b>Class 1A:</b>                        |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17 <sup>3,4</sup>                 | 20.70                                | .08   | 4.71  | 4.79                             | (.13)                                  | -                                  | (.13)                             | 25.36                          | 23.19 <sup>5</sup> | - <sup>7</sup>                          | .96 <sup>6</sup>                        | .35 <sup>6</sup>                                 |
| <b>Class 2:</b>                         |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                                | 19.72                                | .06   | 5.04  | 5.10                             | (.10)                                  | -                                  | (.10)                             | 24.72                          | 25.89              | 2,551                                   | .98                                     | .27  |
| 12/31/16                                | 23.90                                | .07   | .15   | .22                              | (.05)                                  | (4.35)                             | (4.40)                            | 19.72                          | 2.10               | 2,303                                   | .99                                     | .31  |
| 12/31/15                                | 25.64                                | (.03)   | .37   | .34                              | -                                      | (2.08)                             | (2.08)                            | 23.90                          | .27                | 2,492                                   | .98                                     | (.10)  |
| 12/31/14                                | 25.25                                | .03   | .51   | .54                              | (.03)                                  | (.12)                              | (.15)                             | 25.64                          | 2.12               | 2,738                                   | .99                                     | .10  |
| 12/31/13                                | 19.86                                | (.01)   | 5.60  | 5.59                             | (.20)                                  | -                                  | (.20)                             | 25.25                          | 28.28              | 2,955                                   | .99                                     | (.05)  |
| <b>Class 4:</b>                         |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                                | 19.91                                | - <sup>8</sup>  | 5.09  | 5.09                             | (.09)                                  | -                                  | (.09)                             | 24.91                          | 25.62              | 125                                     | 1.23                                    | - <sup>9</sup>                                   |
| 12/31/16                                | 24.11                                | .01   | .16   | .17                              | (.02)                                  | (4.35)                             | (4.37)                            | 19.91                          | 1.85               | 42                                      | 1.24                                    | .03  |
| 12/31/15                                | 25.92                                | (.10)   | .37   | .27                              | -                                      | (2.08)                             | (2.08)                            | 24.11                          | (.02)              | 34                                      | 1.23                                    | (.37)  |
| 12/31/14                                | 25.57                                | (.05)   | .54   | .49                              | (.02)                                  | (.12)                              | (.14)                             | 25.92                          | 1.88               | 12                                      | 1.24                                    | (.17)  |
| 12/31/13                                | 20.16                                | (.12)   | 5.74  | 5.62                             | (.21)                                  | -                                  | (.21)                             | 25.57                          | 28.01              | 4                                       | 1.24                                    | (.50)  |

| Period ended              | Net asset value, beginning of period | Income (loss) from investment operations <sup>1</sup> |   |                                  | Dividends and distributions            |                                    |                                   | Net asset value, end of period | Total return       | Net assets, end of period (in millions) | Ratio of expenses to average net assets | Ratio of net income (loss) to average net assets |
|---------------------------|--------------------------------------|---|---|----------------------------------|--|------------------------------------|-----------------------------------|--------------------------------|--------------------|---|---|--|
|                           |                                      | Net investment income (loss)                          | Net gains (losses) on securities (both realized and unrealized) | Total from investment operations | Dividends (from net investment income) | Distributions (from capital gains) | Total dividends and distributions |                                |                    |   |   |  |
| <b>Growth Fund</b>        |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| <b>Class 1:</b>           |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                  | \$67.29                              | \$ .55  | \$17.89   | \$18.44                          | \$ (.55)                               | \$(7.33)                           | \$ (7.88)                         | \$77.85                        | 28.62%             | \$ 8,100                                | .35%                                    | .75%   |
| 12/31/16                  | 68.02                                | .67   | 5.40  | 6.07                             | (.67)                                  | (6.13)                             | (6.80)                            | 67.29                          | 9.77               | 6,931                                   | .35                                     | 1.03   |
| 12/31/15                  | 80.15                                | .64   | 5.08  | 5.72                             | (.61)                                  | (17.24)                            | (17.85)                           | 68.02                          | 7.12               | 6,796                                   | .35                                     | .87  |
| 12/31/14                  | 78.54                                | .88 <sup>2</sup>                                      | 5.79  | 6.67                             | (1.16)                                 | (3.90)                             | (5.06)                            | 80.15                          | 8.78               | 7,118                                   | .35                                     | 1.12 <sup>2</sup>                                |
| 12/31/13                  | 60.90                                | .64   | 17.84   | 18.48                            | (.84)                                  | -                                  | (.84)                             | 78.54                          | 30.43              | 7,003                                   | .35                                     | .93  |
| <b>Class 1A:</b>          |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17 <sup>3,4</sup>   | 68.84                                | .35   | 16.38   | 16.73                            | (.50)                                  | (7.33)                             | (7.83)                            | 77.74                          | 25.47 <sup>3</sup> | 3                                       | .59 <sup>6</sup>                        | .47 <sup>6</sup>                                 |
| <b>Class 2:</b>           |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                  | 66.92                                | .37   | 17.76   | 18.13                            | (.37)                                  | (7.33)                             | (7.70)                            | 77.35                          | 28.28              | 15,716                                  | .60                                     | .50  |
| 12/31/16                  | 67.69                                | .51   | 5.36  | 5.87                             | (.51)                                  | (6.13)                             | (6.64)                            | 66.92                          | 9.49               | 13,978                                  | .60                                     | .78  |
| 12/31/15                  | 79.84                                | .46   | 5.06  | 5.52                             | (.43)                                  | (17.24)                            | (17.67)                           | 67.69                          | 6.86               | 14,414                                  | .60                                     | .62  |
| 12/31/14                  | 77.94                                | .68 <sup>2</sup>                                      | 5.75  | 6.43                             | (.63)                                  | (3.90)                             | (4.53)                            | 79.84                          | 8.51               | 15,413                                  | .60                                     | .87 <sup>2</sup>                                 |
| 12/31/13                  | 60.45                                | .47   | 17.68   | 18.15                            | (.66)                                  | -                                  | (.66)                             | 77.94                          | 30.11              | 16,334                                  | .60                                     | .68  |
| <b>Class 3:</b>           |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                  | 67.67                                | .42   | 17.98   | 18.40                            | (.42)                                  | (7.33)                             | (7.75)                            | 78.32                          | 28.39              | 212                                     | .53                                     | .57  |
| 12/31/16                  | 68.37                                | .56   | 5.42  | 5.98                             | (.55)                                  | (6.13)                             | (6.68)                            | 67.67                          | 9.56               | 183                                     | .53                                     | .85  |
| 12/31/15                  | 80.47                                | .51   | 5.11  | 5.62                             | (.48)                                  | (17.24)                            | (17.72)                           | 68.37                          | 6.92               | 194                                     | .53                                     | .69  |
| 12/31/14                  | 78.62                                | .74 <sup>2</sup>                                      | 5.79  | 6.53                             | (.78)                                  | (3.90)                             | (4.68)                            | 80.47                          | 8.58               | 208                                     | .53                                     | .94 <sup>2</sup>                                 |
| 12/31/13                  | 60.97                                | .52   | 17.84   | 18.36                            | (.71)                                  | -                                  | (.71)                             | 78.62                          | 30.20              | 216                                     | .53                                     | .75  |
| <b>Class 4:</b>           |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                  | 66.41                                | .18   | 17.61   | 17.79                            | (.31)                                  | (7.33)                             | (7.64)                            | 76.56                          | 27.99              | 954                                     | .85                                     | .25  |
| 12/31/16                  | 67.26                                | .34   | 5.32  | 5.66                             | (.38)                                  | (6.13)                             | (6.51)                            | 66.41                          | 9.22               | 458                                     | .85                                     | .53  |
| 12/31/15                  | 79.74                                | .29   | 5.02  | 5.31                             | (.55)                                  | (17.24)                            | (17.79)                           | 67.26                          | 6.59               | 394                                     | .85                                     | .42  |
| 12/31/14                  | 78.32                                | .37 <sup>2</sup>                                      | 5.87  | 6.24                             | (.92)                                  | (3.90)                             | (4.82)                            | 79.74                          | 8.25               | 24                                      | .85                                     | .47 <sup>2</sup>                                 |
| 12/31/13                  | 60.90                                | .29   | 17.90   | 18.19                            | (.77)                                  | -                                  | (.77)                             | 78.32                          | 29.96              | 5                                       | .85                                     | .40  |
| <b>International Fund</b> |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| <b>Class 1:</b>           |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                  | \$16.82                              | \$ .26  | \$ 5.16   | \$ 5.42                          | \$(.30)                                | \$(.23)                            | \$(.53)                           | \$21.71                        | 32.46%             | \$5,014                                 | .53%                                    | 1.33%  |
| 12/31/16                  | 18.08                                | .27   | .30   | .57                              | (.28)                                  | (1.55)                             | (1.83)                            | 16.82                          | 3.78               | 3,652                                   | .54                                     | 1.57   |
| 12/31/15                  | 20.35                                | .29   | (1.03)  | (.74)                            | (.35)                                  | (1.18)                             | (1.53)                            | 18.08                          | (4.25)             | 3,427                                   | .54                                     | 1.41   |
| 12/31/14                  | 21.22                                | .30   | (.81)   | (.51)                            | (.36)                                  | -                                  | (.36)                             | 20.35                          | (2.41)             | 3,282                                   | .54                                     | 1.43   |
| 12/31/13                  | 17.68                                | .27   | 3.59  | 3.86                             | (.32)                                  | -                                  | (.32)                             | 21.22                          | 21.91              | 3,324                                   | .54                                     | 1.41   |
| <b>Class 1A:</b>          |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17 <sup>3,4</sup>   | 17.17                                | .09   | 4.93  | 5.02                             | (.29)                                  | (.23)                              | (.52)                             | 21.67                          | 29.46 <sup>5</sup> | 2                                       | .77 <sup>6</sup>                        | .43 <sup>6</sup>                                 |
| <b>Class 2:</b>           |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                  | 16.76                                | .22   | 5.13  | 5.35                             | (.25)                                  | (.23)                              | (.48)                             | 21.63                          | 32.14              | 4,422                                   | .78                                     | 1.10   |
| 12/31/16                  | 18.02                                | .23   | .30   | .53                              | (.24)                                  | (1.55)                             | (1.79)                            | 16.76                          | 3.53               | 3,710                                   | .79                                     | 1.35   |
| 12/31/15                  | 20.29                                | .24   | (1.03)  | (.79)                            | (.30)                                  | (1.18)                             | (1.48)                            | 18.02                          | (4.53)             | 3,978                                   | .79                                     | 1.17   |
| 12/31/14                  | 21.15                                | .25   | (.81)   | (.56)                            | (.30)                                  | -                                  | (.30)                             | 20.29                          | (2.65)             | 4,374                                   | .79                                     | 1.19   |
| 12/31/13                  | 17.62                                | .22   | 3.58  | 3.80                             | (.27)                                  | -                                  | (.27)                             | 21.15                          | 21.64              | 5,916                                   | .79                                     | 1.15   |
| <b>Class 3:</b>           |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                  | 16.85                                | .23   | 5.17  | 5.40                             | (.27)                                  | (.23)                              | (.50)                             | 21.75                          | 32.23              | 31                                      | .71                                     | 1.17   |
| 12/31/16                  | 18.11                                | .24   | .30   | .54                              | (.25)                                  | (1.55)                             | (1.80)                            | 16.85                          | 3.57               | 27                                      | .72                                     | 1.42   |
| 12/31/15                  | 20.38                                | .25   | (1.03)  | (.78)                            | (.31)                                  | (1.18)                             | (1.49)                            | 18.11                          | (4.44)             | 32                                      | .72                                     | 1.24   |
| 12/31/14                  | 21.24                                | .27   | (.82)   | (.55)                            | (.31)                                  | -                                  | (.31)                             | 20.38                          | (2.56)             | 38                                      | .72                                     | 1.28   |
| 12/31/13                  | 17.70                                | .23   | 3.59  | 3.82                             | (.28)                                  | -                                  | (.28)                             | 21.24                          | 21.67              | 46                                      | .72                                     | 1.22   |
| <b>Class 4:</b>           |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                  | 16.64                                | .11   | 5.16  | 5.27                             | (.26)                                  | (.23)                              | (.49)                             | 21.42                          | 31.89              | 289                                     | 1.03                                    | .55  |
| 12/31/16                  | 17.93                                | .18   | .29   | .47                              | (.21)                                  | (1.55)                             | (1.76)                            | 16.64                          | 3.21               | 66                                      | 1.04                                    | 1.03   |
| 12/31/15                  | 20.23                                | .17   | (1.00)  | (.83)                            | (.29)                                  | (1.18)                             | (1.47)                            | 17.93                          | (4.75)             | 46                                      | 1.04                                    | .88  |
| 12/31/14                  | 21.16                                | .07   | (.68)   | (.61)                            | (.32)                                  | -                                  | (.32)                             | 20.23                          | (2.88)             | 18                                      | 1.04                                    | .31  |
| 12/31/13                  | 17.68                                | (.01)   | 3.79  | 3.78                             | (.30)                                  | -                                  | (.30)                             | 21.16                          | 21.48              | 2                                       | 1.04                                    | (.07)  |

| Period ended                            | Net asset value, beginning of period | Income (loss) from investment operations <sup>1</sup> |   |                                  | Dividends and distributions            |                                    |                                   | Net asset value, end of period | Total return       | Net assets, end of period (in millions) | Ratio of expenses to average net assets | Ratio of net income (loss) to average net assets |
|---|--------------------------------------|---|---|----------------------------------|--|------------------------------------|-----------------------------------|--------------------------------|--------------------|---|---|--|
|   |                                      | Net investment income (loss)                          | Net gains (losses) on securities (both realized and unrealized) | Total from investment operations | Dividends (from net investment income) | Distributions (from capital gains) | Total dividends and distributions |                                |                    |   |   |  |
| <b>New World Fund</b>                   |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| <b>Class 1:</b>                         |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                                | \$19.72                              | \$ .26  | \$5.59  | \$5.85                           | \$(.27)                                | -                                  | \$(.27)                           | \$25.30                        | 29.73%             | \$2,050                                 | .77%                                    | 1.14%  |
| 12/31/16                                | 18.87                                | .24   | .81   | 1.05                             | (.20)                                  | -                                  | (.20)                             | 19.72                          | 5.59               | 1,743                                   | .78                                     | 1.25   |
| 12/31/15                                | 20.72                                | .19   | (.71)   | (.52)                            | (.17)                                  | (1.16)                             | (1.33)                            | 18.87                          | (2.96)             | 1,562                                   | .79                                     | .92  |
| 12/31/14                                | 25.08                                | .29 <sup>2</sup>                                      | (1.92)  | (1.63)                           | (.29)                                  | (2.44)                             | (2.73)                            | 20.72                          | (7.63)             | 1,433                                   | .78                                     | 1.23 <sup>2</sup>                                |
| 12/31/13                                | 22.93                                | .34   | 2.31  | 2.65                             | (.39)                                  | (.11)                              | (.50)                             | 25.08                          | 11.66              | 1,388                                   | .78                                     | 1.45   |
| <b>Class 1A:</b>                        |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17 <sup>3,4</sup>                 | 20.14                                | .13   | 5.24  | 5.37                             | (.26)                                  | -                                  | (.26)                             | 25.25                          | 26.72 <sup>5</sup> | 1                                       | 1.00 <sup>6</sup>                       | .53 <sup>6</sup>                                 |
| <b>Class 2:</b>                         |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                                | 19.54                                | .20   | 5.55  | 5.75                             | (.22)                                  | -                                  | (.22)                             | 25.07                          | 29.44              | 1,055                                   | 1.02                                    | .89  |
| 12/31/16                                | 18.71                                | .19   | .79   | .98                              | (.15)                                  | -                                  | (.15)                             | 19.54                          | 5.26               | 911                                     | 1.03                                    | 1.00   |
| 12/31/15                                | 20.54                                | .14   | (.69)   | (.55)                            | (.12)                                  | (1.16)                             | (1.28)                            | 18.71                          | (3.14)             | 961                                     | 1.04                                    | .68  |
| 12/31/14                                | 24.88                                | .24 <sup>2</sup>                                      | (1.91)  | (1.67)                           | (.23)                                  | (2.44)                             | (2.67)                            | 20.54                          | (7.87)             | 1,084                                   | 1.03                                    | 1.01 <sup>2</sup>                                |
| 12/31/13                                | 22.75                                | .28   | 2.29  | 2.57                             | (.33)                                  | (.11)                              | (.44)                             | 24.88                          | 11.38              | 1,307                                   | 1.03                                    | 1.22   |
| <b>Class 4:</b>                         |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                                | 19.51                                | .14   | 5.52  | 5.66                             | (.18)                                  | -                                  | (.18)                             | 24.99                          | 29.06              | 427                                     | 1.27                                    | .61  |
| 12/31/16                                | 18.69                                | .14   | .80   | .94                              | (.12)                                  | -                                  | (.12)                             | 19.51                          | 5.04               | 240                                     | 1.28                                    | .75  |
| 12/31/15                                | 20.56                                | .08   | (.68)   | (.60)                            | (.11)                                  | (1.16)                             | (1.27)                            | 18.69                          | (3.37)             | 171                                     | 1.29                                    | .39  |
| 12/31/14                                | 24.99                                | .09 <sup>2</sup>                                      | (1.83)  | (1.74)                           | (.25)                                  | (2.44)                             | (2.69)                            | 20.56                          | (8.13)             | 64                                      | 1.28                                    | 40 <sup>2</sup>                                  |
| 12/31/13                                | 22.93                                | .14   | 2.41  | 2.55                             | (.38)                                  | (.11)                              | (.49)                             | 24.99                          | 11.20              | 8                                       | 1.29                                    | .56  |
| <b>Blue Chip Income and Growth Fund</b> |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| <b>Class 1:</b>                         |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                                | \$13.53                              | \$ .32  | \$1.96  | \$2.28                           | \$(.32)                                | \$(.53)                            | \$(.85)                           | \$14.96                        | 17.30%             | \$5,581                                 | .41%                                    | 2.27%  |
| 12/31/16                                | 12.62                                | .31   | 1.97  | 2.28                             | (.29)                                  | (1.08)                             | (1.37)                            | 13.53                          | 19.06              | 5,099                                   | .41                                     | 2.39   |
| 12/31/15                                | 14.69                                | .31   | (.64)   | (.33)                            | (.29)                                  | (1.45)                             | (1.74)                            | 12.62                          | (2.72)             | 3,638                                   | .41                                     | 2.23   |
| 12/31/14                                | 13.12                                | .46 <sup>2</sup>                                      | 1.59  | 2.05                             | (.48)                                  | -                                  | (.48)                             | 14.69                          | 15.69              | 3,542                                   | .42                                     | 3.31 <sup>2</sup>                                |
| 12/31/13                                | 10.05                                | .27   | 3.06  | 3.33                             | (.26)                                  | -                                  | (.26)                             | 13.12                          | 33.26              | 2,814                                   | .42                                     | 2.27   |
| <b>Class 1A:</b>                        |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17 <sup>3,4</sup>                 | 13.75                                | .28   | 1.75  | 2.03                             | (.31)                                  | (.53)                              | (.84)                             | 14.94                          | 15.21 <sup>5</sup> | 1                                       | .65 <sup>6</sup>                        | 2.01 <sup>6</sup>                                |
| <b>Class 2:</b>                         |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                                | 13.39                                | .28   | 1.94  | 2.22                             | (.28)                                  | (.53)                              | (.81)                             | 14.80                          | 17.04              | 3,551                                   | .66                                     | 2.02   |
| 12/31/16                                | 12.51                                | .28   | 1.94  | 2.22                             | (.26)                                  | (1.08)                             | (1.34)                            | 13.39                          | 18.70              | 3,412                                   | .66                                     | 2.16   |
| 12/31/15                                | 14.57                                | .27   | (.62)   | (.35)                            | (.26)                                  | (1.45)                             | (1.71)                            | 12.51                          | (2.93)             | 3,228                                   | .66                                     | 1.97   |
| 12/31/14                                | 13.02                                | .44 <sup>2</sup>                                      | 1.55  | 1.99                             | (.44)                                  | -                                  | (.44)                             | 14.57                          | 15.36              | 3,722                                   | .67                                     | 3.14 <sup>2</sup>                                |
| 12/31/13                                | 9.97                                 | .23   | 3.05  | 3.28                             | (.23)                                  | -                                  | (.23)                             | 13.02                          | 33.00              | 3,755                                   | .67                                     | 2.03   |
| <b>Class 4:</b>                         |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                                | 13.39                                | .25   | 1.93  | 2.18                             | (.27)                                  | (.53)                              | (.80)                             | 14.77                          | 16.70              | 247                                     | .91                                     | 1.76   |
| 12/31/16                                | 12.53                                | .24   | 1.96  | 2.20                             | (.26)                                  | (1.08)                             | (1.34)                            | 13.39                          | 18.49              | 132                                     | .91                                     | 1.81   |
| 12/31/15                                | 14.63                                | .24   | (.63)   | (.39)                            | (.26)                                  | (1.45)                             | (1.71)                            | 12.53                          | (3.21)             | 32                                      | .91                                     | 1.75   |
| 12/31/14                                | 13.12                                | .34 <sup>2</sup>                                      | 1.63  | 1.97                             | (.46)                                  | -                                  | (.46)                             | 14.63                          | 15.13              | 9                                       | .92                                     | 2.33 <sup>2</sup>                                |
| 12/31/13                                | 10.05                                | .18   | 3.15  | 3.33                             | (.26)                                  | -                                  | (.26)                             | 13.12                          | 33.27              | - <sup>7</sup>                          | .86                                     | 1.39   |

| Period ended                         | Net asset value, beginning of period | Income (loss) from investment operations <sup>1</sup> |   |                                  | Dividends and distributions            |                                    |                                   | Net asset value, end of period | Total return       | Net assets, end of period (in millions) | Ratio of expenses to average net assets | Ratio of net income (loss) to average net assets |
|--------------------------------------|--------------------------------------|---|---|----------------------------------|--|------------------------------------|-----------------------------------|--------------------------------|--------------------|---|---|--|
|                                      |                                      | Net investment income (loss)                          | Net gains (losses) on securities (both realized and unrealized) | Total from investment operations | Dividends (from net investment income) | Distributions (from capital gains) | Total dividends and distributions |                                |                    |   |   |  |
| <b>Global Growth and Income Fund</b> |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| <b>Class 1:</b>                      |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                             | \$13.02                              | \$.35   | \$3.06  | \$3.41                           | \$(.36)                                | \$(.26)                            | \$(.62)                           | \$15.81                        | 26.40%             | \$ 485                                  | .63%                                    | 2.43%  |
| 12/31/16                             | 12.35                                | .28   | .66   | .94                              | (.27)                                  | -                                  | (.27)                             | 13.02                          | 7.61               | 571                                     | .63                                     | 2.18   |
| 12/31/15                             | 12.78                                | .36   | (.50)   | (.14)                            | (.29)                                  | -                                  | (.29)                             | 12.35                          | (1.14)             | 293                                     | .64                                     | 2.79   |
| 12/31/14                             | 12.53                                | .43 <sup>2</sup>                                      | .31   | .74                              | (.49)                                  | -                                  | (.49)                             | 12.78                          | 6.00               | 200                                     | .63                                     | 3.34 <sup>2</sup>                                |
| 12/31/13                             | 10.56                                | .39   | 2.00  | 2.39                             | (.42)                                  | -                                  | (.42)                             | 12.53                          | 22.81              | 206                                     | .62                                     | 3.35   |
| <b>Class 1A:</b>                     |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17 <sup>3,4</sup>              | 13.21                                | .18   | 3.03  | 3.21                             | (.35)                                  | (.26)                              | (.61)                             | 15.81                          | 24.54 <sup>5</sup> | - <sup>7</sup>                          | .84 <sup>6</sup>                        | 1.20 <sup>6</sup>                                |
| <b>Class 2:</b>                      |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                             | 13.00                                | .31   | 3.05  | 3.36                             | (.32)                                  | (.26)                              | (.58)                             | 15.78                          | 26.06              | 1,538                                   | .88                                     | 2.11   |
| 12/31/16                             | 12.33                                | .25   | .65   | .90                              | (.23)                                  | -                                  | (.23)                             | 13.00                          | 7.34               | 1,405                                   | .88                                     | 1.98   |
| 12/31/15                             | 12.75                                | .22   | (.39)   | (.17)                            | (.25)                                  | -                                  | (.25)                             | 12.33                          | (1.34)             | 1,479                                   | .89                                     | 1.73   |
| 12/31/14                             | 12.51                                | .41 <sup>2</sup>                                      | .29   | .70                              | (.46)                                  | -                                  | (.46)                             | 12.75                          | 5.64               | 1,685                                   | .88                                     | 3.22 <sup>2</sup>                                |
| 12/31/13                             | 10.54                                | .36   | 2.00  | 2.36                             | (.39)                                  | -                                  | (.39)                             | 12.51                          | 22.54              | 1,822                                   | .87                                     | 3.09   |
| <b>Class 4:</b>                      |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                             | 12.89                                | .22   | 3.08  | 3.30                             | (.33)                                  | (.26)                              | (.59)                             | 15.60                          | 25.83              | 79                                      | 1.14                                    | 1.49   |
| 12/31/16                             | 12.26                                | .21   | .65   | .86                              | (.23)                                  | -                                  | (.23)                             | 12.89                          | 7.04               | 16                                      | 1.13                                    | 1.63   |
| 12/31/15                             | 12.71                                | .17   | (.37)   | (.20)                            | (.25)                                  | -                                  | (.25)                             | 12.26                          | (1.60)             | 5                                       | 1.14                                    | 1.32   |
| 12/31/14                             | 12.50                                | .30 <sup>2</sup>                                      | .37   | .67                              | (.46)                                  | -                                  | (.46)                             | 12.71                          | 5.41               | 1                                       | 1.13                                    | 2.30 <sup>2</sup>                                |
| 12/31/13                             | 10.55                                | .28   | 2.09  | 2.37                             | (.42)                                  | -                                  | (.42)                             | 12.50                          | 22.60              | 1                                       | 1.12                                    | 2.27   |
| <b>Growth-Income Fund</b>            |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| <b>Class 1:</b>                      |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                             | \$44.41                              | \$.81   | \$8.89  | \$9.70                           | \$(.78)                                | \$(3.11)                           | \$(3.89)                          | \$50.22                        | 22.68%             | \$15,765                                | .28%                                    | 1.69%  |
| 12/31/16                             | 45.40                                | .79   | 4.09  | 4.88                             | (.75)                                  | (5.12)                             | (5.87)                            | 44.41                          | 11.80              | 12,588                                  | .29                                     | 1.79   |
| 12/31/15                             | 52.76                                | .79   | .37   | 1.16                             | (.75)                                  | (7.77)                             | (8.52)                            | 45.40                          | 1.72               | 10,747                                  | .29                                     | 1.59   |
| 12/31/14                             | 50.72                                | .81   | 4.57  | 5.38                             | (.80)                                  | (2.54)                             | (3.34)                            | 52.76                          | 10.91              | 10,812                                  | .29                                     | 1.56   |
| 12/31/13                             | 38.48                                | .66   | 12.31   | 12.97                            | (.73)                                  | -                                  | (.73)                             | 50.72                          | 33.82              | 9,857                                   | .29                                     | 1.49   |
| <b>Class 1A:</b>                     |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17 <sup>3,4</sup>              | 45.39                                | .67   | 7.96  | 8.63                             | (.76)                                  | (3.11)                             | (3.87)                            | 50.15                          | 19.83 <sup>5</sup> | 2                                       | .52 <sup>6</sup>                        | 1.41 <sup>6</sup>                                |
| <b>Class 2:</b>                      |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                             | 44.00                                | .68   | 8.80  | 9.48                             | (.66)                                  | (3.11)                             | (3.77)                            | 49.71                          | 22.38              | 13,930                                  | .53                                     | 1.45   |
| 12/31/16                             | 45.04                                | .67   | 4.05  | 4.72                             | (.64)                                  | (5.12)                             | (5.76)                            | 44.00                          | 11.51              | 12,854                                  | .54                                     | 1.54   |
| 12/31/15                             | 52.41                                | .66   | .37   | 1.03                             | (.63)                                  | (7.77)                             | (8.40)                            | 45.04                          | 1.45               | 12,895                                  | .54                                     | 1.34   |
| 12/31/14                             | 50.40                                | .67   | 4.55  | 5.22                             | (.67)                                  | (2.54)                             | (3.21)                            | 52.41                          | 10.63              | 14,337                                  | .54                                     | 1.31   |
| 12/31/13                             | 38.24                                | .55   | 12.23   | 12.78                            | (.62)                                  | -                                  | (.62)                             | 50.40                          | 33.50              | 14,980                                  | .54                                     | 1.25   |
| <b>Class 3:</b>                      |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                             | 44.47                                | .72   | 8.90  | 9.62                             | (.69)                                  | (3.11)                             | (3.80)                            | 50.29                          | 22.47              | 168                                     | .46                                     | 1.52   |
| 12/31/16                             | 45.46                                | .71   | 4.09  | 4.80                             | (.67)                                  | (5.12)                             | (5.79)                            | 44.47                          | 11.59              | 156                                     | .47                                     | 1.61   |
| 12/31/15                             | 52.82                                | .70   | .37   | 1.07                             | (.66)                                  | (7.77)                             | (8.43)                            | 45.46                          | 1.53               | 161                                     | .47                                     | 1.41   |
| 12/31/14                             | 50.77                                | .71   | 4.59  | 5.30                             | (.71)                                  | (2.54)                             | (3.25)                            | 52.82                          | 10.71              | 185                                     | .47                                     | 1.38   |
| 12/31/13                             | 38.52                                | .58   | 12.32   | 12.90                            | (.65)                                  | -                                  | (.65)                             | 50.77                          | 33.58              | 193                                     | .47                                     | 1.32   |
| <b>Class 4:</b>                      |                                      |   |   |                                  |  |                                    |                                   |                                |                    |   |   |  |
| 12/31/17                             | 43.73                                | .56   | 8.73  | 9.29                             | (.60)                                  | (3.11)                             | (3.71)                            | 49.31                          | 22.08              | 827                                     | .78                                     | 1.19   |
| 12/31/16                             | 44.82                                | .56   | 4.02  | 4.58                             | (.55)                                  | (5.12)                             | (5.67)                            | 43.73                          | 11.25              | 495                                     | .79                                     | 1.29   |
| 12/31/15                             | 52.39                                | .58   | .33   | .91                              | (.71)                                  | (7.77)                             | (8.48)                            | 44.82                          | 1.21               | 410                                     | .79                                     | 1.25   |
| 12/31/14                             | 50.56                                | .58   | 4.51  | 5.09                             | (.72)                                  | (2.54)                             | (3.26)                            | 52.39                          | 10.34              | 30                                      | .79                                     | 1.11   |
| 12/31/13                             | 38.47                                | .45   | 12.33   | 12.78                            | (.69)                                  | -                                  | (.69)                             | 50.56                          | 33.32              | 3                                       | .79                                     | .96  |



| Period ended                                | Net asset value, beginning of period | Income (loss) from investment operations <sup>1</sup> |   |                                  | Dividends and distributions            |                                    |                                   | Net asset value, end of period | Total return         | Net assets, end of period (in millions) | Ratio of expenses to average net assets | Ratio of net income (loss) to average net assets |
|---|--------------------------------------|---|---|----------------------------------|--|------------------------------------|-----------------------------------|--------------------------------|----------------------|---|---|--|
|   |                                      | Net investment income (loss)                          | Net gains (losses) on securities (both realized and unrealized) | Total from investment operations | Dividends (from net investment income) | Distributions (from capital gains) | Total dividends and distributions |                                |                      |   |   |  |
|   |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| <b>International Growth and Income Fund</b> |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| <b>Class 1:</b>                             |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                                    | \$14.48                              | \$ .46  | \$ 3.20   | \$ 3.66                          | \$(.42)                                | –                                  | \$(.42)                           | \$17.72                        | 25.31%               | \$1,121                                 | .66%                                    | 2.75%  |
| 12/31/16                                    | 14.72                                | .43   | (.19)   | .24                              | (.42)                                  | (.06)                              | (.48)                             | 14.48                          | 1.71                 | 820                                     | .68                                     | 2.93   |
| 12/31/15                                    | 16.27                                | .42   | (1.25)  | (.83)                            | (.38)                                  | (.34)                              | (.72)                             | 14.72                          | (5.34)               | 707                                     | .68                                     | 2.60   |
| 12/31/14                                    | 17.48                                | .58 <sup>2</sup>                                      | (1.09)  | (.51)                            | (.53)                                  | (.17)                              | (.70)                             | 16.27                          | (2.93)               | 740                                     | .68                                     | 3.32 <sup>2</sup>                                |
| 12/31/13                                    | 15.29                                | .44   | 2.50  | 2.94                             | (.47)                                  | (.28)                              | (.75)                             | 17.48                          | 19.39                | 696                                     | .69                                     | 2.63   |
| <b>Class 1A:</b>                            |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17 <sup>3,4</sup>                     | 14.69                                | .34   | 3.08  | 3.42                             | (.41)                                  | –                                  | (.41)                             | 17.70                          | 23.36 <sup>5</sup>   | 2                                       | .91 <sup>6</sup>                        | 1.99 <sup>6</sup>                                |
| <b>Class 2:</b>                             |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                                    | 14.43                                | .43   | 3.17  | 3.60                             | (.37)                                  | –                                  | (.37)                             | 17.66                          | 25.03                | 276                                     | .91                                     | 2.60   |
| 12/31/16                                    | 14.68                                | .40   | (.21)   | .19                              | (.38)                                  | (.06)                              | (.44)                             | 14.43                          | 1.44                 | 244                                     | .93                                     | 2.72   |
| 12/31/15                                    | 16.22                                | .38   | (1.24)  | (.86)                            | (.34)                                  | (.34)                              | (.68)                             | 14.68                          | (5.60)               | 254                                     | .93                                     | 2.32   |
| 12/31/14                                    | 17.43                                | .56 <sup>2</sup>                                      | (1.10)  | (.54)                            | (.50)                                  | (.17)                              | (.67)                             | 16.22                          | (3.15)               | 248                                     | .93                                     | 3.21 <sup>2</sup>                                |
| 12/31/13                                    | 15.25                                | .38   | 2.51  | 2.89                             | (.43)                                  | (.28)                              | (.71)                             | 17.43                          | 19.09                | 257                                     | .94                                     | 2.28   |
| <b>Class 4:</b>                             |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                                    | 14.38                                | .37   | 3.18  | 3.55                             | (.35)                                  | –                                  | (.35)                             | 17.58                          | 24.72                | 63                                      | 1.16                                    | 2.24   |
| 12/31/16                                    | 14.63                                | .36   | (.19)   | .17                              | (.36)                                  | (.06)                              | (.42)                             | 14.38                          | 1.18                 | 37                                      | 1.18                                    | 2.43   |
| 12/31/15                                    | 16.19                                | .33   | (1.23)  | (.90)                            | (.32)                                  | (.34)                              | (.66)                             | 14.63                          | (5.82)               | 32                                      | 1.18                                    | 2.02   |
| 12/31/14                                    | 17.45                                | .26 <sup>2</sup>                                      | (.85)   | (.59)                            | (.50)                                  | (.17)                              | (.67)                             | 16.19                          | (3.39)               | 20                                      | 1.18                                    | 1.52 <sup>2</sup>                                |
| 12/31/13                                    | 15.29                                | .03   | 2.87  | 2.90                             | (.46)                                  | (.28)                              | (.74)                             | 17.45                          | 19.16                | 1                                       | 1.19                                    | .18  |
| <b>Capital Income Builder</b>               |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| <b>Class 1:</b>                             |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                                    | \$ 9.46                              | \$ .32  | \$ .93  | \$ 1.25                          | \$(.31)                                | –                                  | \$(.31)                           | \$10.40                        | 13.29%               | \$254                                   | .54%                                    | 3.21%  |
| 12/31/16                                    | 9.40                                 | .32   | .07   | .39                              | (.33)                                  | –                                  | (.33)                             | 9.46                           | 4.17                 | 156                                     | .54                                     | 3.39   |
| 12/31/15                                    | 9.81                                 | .28   | (.40)   | (.12)                            | (.29)                                  | –                                  | (.29)                             | 9.40                           | (1.23)               | 80                                      | .56                                     | 2.88   |
| 12/31/14 <sup>3,9</sup>                     | 10.00                                | .19   | (.18)   | .01                              | (.19)                                  | (.01)                              | (.20)                             | 9.81                           | .125                 | 20                                      | .56 <sup>6</sup>                        | 2.87 <sup>6</sup>                                |
| <b>Class 1A:</b>                            |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17 <sup>3,4</sup>                     | 9.57                                 | .27   | .84   | 1.11                             | (.29)                                  | –                                  | (.29)                             | 10.39                          | 11.72 <sup>5</sup>   | 1                                       | .79 <sup>6</sup>                        | 2.63 <sup>6</sup>                                |
| <b>Class 2:</b>                             |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                                    | 9.46                                 | .29   | .93   | 1.22                             | (.28)                                  | –                                  | (.28)                             | 10.40                          | 13.04                | 1                                       | .79                                     | 2.82   |
| 12/31/16                                    | 9.40                                 | .27   | .11   | .38                              | (.32)                                  | –                                  | (.32)                             | 9.46                           | 4.08                 | – <sup>7</sup>                          | .80                                     | 2.82   |
| 12/31/15                                    | 9.81                                 | .31   | (.43)   | (.12)                            | (.29)                                  | –                                  | (.29)                             | 9.40                           | (1.23) <sup>11</sup> | – <sup>7</sup>                          | .46 <sup>11</sup>                       | 3.12 <sup>11</sup>                               |
| 12/31/14 <sup>3,9</sup>                     | 10.00                                | .20   | (.19)   | .01                              | (.19)                                  | (.01)                              | (.20)                             | 9.81                           | .12 <sup>5,11</sup>  | – <sup>7</sup>                          | .47 <sup>6,11</sup>                     | 2.94 <sup>6,11</sup>                             |
| <b>Class 4:</b>                             |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                                    | 9.45                                 | .27   | .92   | 1.19                             | (.26)                                  | –                                  | (.26)                             | 10.38                          | 12.65                | 338                                     | 1.04                                    | 2.72   |
| 12/31/16                                    | 9.38                                 | .27   | .08   | .35                              | (.28)                                  | –                                  | (.28)                             | 9.45                           | 3.78                 | 256                                     | 1.04                                    | 2.88   |
| 12/31/15                                    | 9.80                                 | .25   | (.42)   | (.17)                            | (.25)                                  | –                                  | (.25)                             | 9.38                           | (1.79)               | 157                                     | 1.05                                    | 2.55   |
| 12/31/14 <sup>3,9</sup>                     | 10.00                                | .14   | (.16)   | (.02)                            | (.17)                                  | (.01)                              | (.18)                             | 9.80                           | (.21) <sup>5</sup>   | 55                                      | 1.06 <sup>6</sup>                       | 2.08 <sup>6</sup>                                |
| <b>Asset Allocation Fund</b>                |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| <b>Class 1:</b>                             |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                                    | \$21.68                              | \$ .44  | \$ 3.06   | \$ 3.50                          | \$(.41)                                | \$(1.06)                           | \$(1.47)                          | \$23.71                        | 16.51%               | \$16,556                                | .29%                                    | 1.90%  |
| 12/31/16                                    | 20.62                                | .42   | 1.54  | 1.96                             | (.39)                                  | (.51)                              | (.90)                             | 21.68                          | 9.69                 | 13,008                                  | .29                                     | 1.97   |
| 12/31/15                                    | 22.23                                | .40   | (.02)   | .38                              | (.40)                                  | (1.59)                             | (1.99)                            | 20.62                          | 1.64                 | 10,913                                  | .29                                     | 1.85   |
| 12/31/14                                    | 22.49                                | .44   | .81   | 1.25                             | (.39)                                  | (1.12)                             | (1.51)                            | 22.23                          | 5.66                 | 11,997                                  | .30                                     | 1.95   |
| 12/31/13                                    | 18.43                                | .35   | 4.07  | 4.42                             | (.36)                                  | –                                  | (.36)                             | 22.49                          | 24.04                | 10,515                                  | .31                                     | 1.71   |
| <b>Class 1A:</b>                            |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17 <sup>3,4</sup>                     | 21.97                                | .39   | 2.78  | 3.17                             | (.39)                                  | (1.06)                             | (1.45)                            | 23.69                          | 14.78 <sup>5</sup>   | 4                                       | .53 <sup>6</sup>                        | 1.69 <sup>6</sup>                                |
| <b>Class 2:</b>                             |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                                    | 21.49                                | .37   | 3.04  | 3.41                             | (.35)                                  | (1.06)                             | (1.41)                            | 23.49                          | 16.23                | 5,480                                   | .54                                     | 1.64   |
| 12/31/16                                    | 20.45                                | .36   | 1.53  | 1.89                             | (.34)                                  | (.51)                              | (.85)                             | 21.49                          | 9.41                 | 5,144                                   | .54                                     | 1.72   |
| 12/31/15                                    | 22.06                                | .34   | (.01)   | .33                              | (.35)                                  | (1.59)                             | (1.94)                            | 20.45                          | 1.40                 | 5,008                                   | .54                                     | 1.60   |
| 12/31/14                                    | 22.33                                | .37   | .81   | 1.18                             | (.33)                                  | (1.12)                             | (1.45)                            | 22.06                          | 5.40                 | 5,494                                   | .55                                     | 1.69   |
| 12/31/13                                    | 18.31                                | .30   | 4.03  | 4.33                             | (.31)                                  | –                                  | (.31)                             | 22.33                          | 23.69                | 5,760                                   | .56                                     | 1.47   |
| <b>Class 3:</b>                             |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                                    | 21.70                                | .39   | 3.07  | 3.46                             | (.37)                                  | (1.06)                             | (1.43)                            | 23.73                          | 16.29                | 38                                      | .47                                     | 1.72   |
| 12/31/16                                    | 20.64                                | .38   | 1.54  | 1.92                             | (.35)                                  | (.51)                              | (.86)                             | 21.70                          | 9.49                 | 35                                      | .47                                     | 1.79   |
| 12/31/15                                    | 22.25                                | .36   | (.02)   | .34                              | (.36)                                  | (1.59)                             | (1.95)                            | 20.64                          | 1.46                 | 36                                      | .47                                     | 1.67   |
| 12/31/14                                    | 22.51                                | .39   | .81   | 1.20                             | (.34)                                  | (1.12)                             | (1.46)                            | 22.25                          | 5.47                 | 40                                      | .48                                     | 1.76   |
| 12/31/13                                    | 18.45                                | .32   | 4.06  | 4.38                             | (.32)                                  | –                                  | (.32)                             | 22.51                          | 23.81                | 42                                      | .49                                     | 1.54   |
| <b>Class 4:</b>                             |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                                    | 21.43                                | .32   | 3.02  | 3.34                             | (.31)                                  | (1.06)                             | (1.37)                            | 23.40                          | 15.91                | 3,582                                   | .79                                     | 1.40   |
| 12/31/16                                    | 20.40                                | .31   | 1.53  | 1.84                             | (.30)                                  | (.51)                              | (.81)                             | 21.43                          | 9.16                 | 2,861                                   | .79                                     | 1.47   |
| 12/31/15                                    | 22.11                                | .30   | (.02)   | .28                              | (.40)                                  | (1.59)                             | (1.99)                            | 20.40                          | 1.14                 | 2,414                                   | .79                                     | 1.45   |
| 12/31/14                                    | 22.46                                | .34   | .79   | 1.13                             | (.36)                                  | (1.12)                             | (1.48)                            | 22.11                          | 5.16                 | 32                                      | .80                                     | 1.55   |
| 12/31/13                                    | 18.43                                | .27   | 4.12  | 4.39                             | (.36)                                  | –                                  | (.36)                             | 22.46                          | 23.89                | 1                                       | .79                                     | 1.22   |

| Period ended                | Net asset value, beginning of period | Income (loss) from investment operations <sup>1</sup> |   |                                  | Dividends and distributions            |                                    |                                   | Net asset value, end of period | Total return        | Net assets, end of period (in millions) | Ratio of expenses to average net assets | Ratio of net income (loss) to average net assets |
|-----------------------------|--------------------------------------|---|---|----------------------------------|--|------------------------------------|-----------------------------------|--------------------------------|---------------------|---|---|--|
|                             |                                      | Net investment income (loss)                          | Net gains (losses) on securities (both realized and unrealized) | Total from investment operations | Dividends (from net investment income) | Distributions (from capital gains) | Total dividends and distributions |                                |                     |   |   |  |
| <b>Global Balanced Fund</b> |                                      |   |   |                                  |  |                                    |                                   |                                |                     |   |   |  |
| <b>Class 1:</b>             |                                      |   |   |                                  |  |                                    |                                   |                                |                     |   |   |  |
| 12/31/17                    | \$11.08                              | \$ .21  | \$ 1.99   | \$ 2.20                          | \$ (.15)                               | \$ (.38)                           | \$ (.53)                          | \$12.75                        | 19.91%              | \$ 93                                   | .72%                                    | 1.68%  |
| 12/31/16                    | 10.74                                | .19   | .32   | .51                              | (.17)                                  | -                                  | (.17)                             | 11.08                          | 4.73                | 64                                      | .72                                     | 1.73   |
| 12/31/15                    | 11.11                                | .20   | (.28)   | (.08)                            | (.14)                                  | (.15)                              | (.29)                             | 10.74                          | (.69)               | 47                                      | .72                                     | 1.80   |
| 12/31/14                    | 11.37                                | .25 <sup>2</sup>                                      | (.03)   | .22                              | (.18)                                  | (.30)                              | (.48)                             | 11.11                          | 1.87                | 37                                      | .71                                     | 2.14 <sup>2</sup>                                |
| 12/31/13                    | 10.34                                | .22   | 1.07  | 1.29                             | (.18)                                  | (.08)                              | (.26)                             | 11.37                          | 12.56               | 36                                      | .70                                     | 2.05   |
| <b>Class 1A:</b>            |                                      |   |   |                                  |  |                                    |                                   |                                |                     |   |   |  |
| 12/31/17 <sup>3,4</sup>     | 11.18                                | .16   | 1.92  | 2.08                             | (.14)                                  | (.38)                              | (.52)                             | 12.74                          | 18.71 <sup>5</sup>  | - <sup>7</sup>                          | .94 <sup>6</sup>                        | 1.27 <sup>6</sup>                                |
| <b>Class 2:</b>             |                                      |   |   |                                  |  |                                    |                                   |                                |                     |   |   |  |
| 12/31/17                    | 11.06                                | .18   | 1.98  | 2.16                             | (.12)                                  | (.38)                              | (.50)                             | 12.72                          | 19.57               | 210                                     | .96                                     | 1.43   |
| 12/31/16                    | 10.72                                | .16   | .32   | .48                              | (.14)                                  | -                                  | (.14)                             | 11.06                          | 4.48                | 178                                     | .97                                     | 1.48   |
| 12/31/15                    | 11.09                                | .18   | (.28)   | (.10)                            | (.12)                                  | (.15)                              | (.27)                             | 10.72                          | (.95)               | 171                                     | .97                                     | 1.60   |
| 12/31/14                    | 11.35                                | .22 <sup>2</sup>                                      | (.03)   | .19                              | (.15)                                  | (.30)                              | (.45)                             | 11.09                          | 1.63                | 179                                     | .96                                     | 1.88 <sup>2</sup>                                |
| 12/31/13                    | 10.33                                | .20   | 1.06  | 1.26                             | (.16)                                  | (.08)                              | (.24)                             | 11.35                          | 12.23               | 156                                     | .95                                     | 1.79   |
| <b>Class 4:</b>             |                                      |   |   |                                  |  |                                    |                                   |                                |                     |   |   |  |
| 12/31/17                    | 11.00                                | .13   | 1.99  | 2.12                             | (.11)                                  | (.38)                              | (.49)                             | 12.63                          | 19.38               | 51                                      | 1.22                                    | 1.07   |
| 12/31/16                    | 10.69                                | .12   | .33   | .45                              | (.14)                                  | -                                  | (.14)                             | 11.00                          | 4.21                | 10                                      | 1.24                                    | 1.12   |
| 12/31/15                    | 11.09                                | .06   | (.17)   | (.11)                            | (.14)                                  | (.15)                              | (.29)                             | 10.69                          | (1.00)              | 1                                       | 1.34                                    | .58  |
| 12/31/14                    | 11.35                                | .24 <sup>2</sup>                                      | (.02)   | .22                              | (.18)                                  | (.30)                              | (.48)                             | 11.09                          | 1.88 <sup>11</sup>  | - <sup>7</sup>                          | .67 <sup>11</sup>                       | 2.07 <sup>2,11</sup>                             |
| 12/31/13                    | 10.33                                | .22   | 1.06  | 1.28                             | (.18)                                  | (.08)                              | (.26)                             | 11.35                          | 12.49 <sup>11</sup> | - <sup>7</sup>                          | .71 <sup>11</sup>                       | 1.98 <sup>11</sup>                               |
| <b>Bond Fund</b>            |                                      |   |   |                                  |  |                                    |                                   |                                |                     |   |   |  |
| <b>Class 1:</b>             |                                      |   |   |                                  |  |                                    |                                   |                                |                     |   |   |  |
| 12/31/17                    | \$10.80                              | \$ .24  | \$ .18  | \$ .42                           | \$ (.24)                               | \$ (.16)                           | \$ (.40)                          | \$10.82                        | 3.88%               | \$6,434                                 | .38%                                    | 2.19%  |
| 12/31/16                    | 10.70                                | .21   | .14   | .35                              | (.21)                                  | (.04)                              | (.25)                             | 10.80                          | 3.27                | 6,829                                   | .38                                     | 1.91   |
| 12/31/15                    | 11.08                                | .22   | (.17)   | .05                              | (.21)                                  | (.22)                              | (.43)                             | 10.70                          | .45                 | 5,731                                   | .38                                     | 1.95   |
| 12/31/14                    | 10.73                                | .23   | .37   | .60                              | (.25)                                  | - <sup>8</sup>                     | (.25)                             | 11.08                          | 5.59                | 4,977                                   | .39                                     | 2.03   |
| 12/31/13                    | 11.29                                | .22   | (.43)   | (.21)                            | (.23)                                  | (.12)                              | (.35)                             | 10.73                          | (1.89)              | 4,506                                   | .39                                     | 2.01   |
| <b>Class 1A:</b>            |                                      |   |   |                                  |  |                                    |                                   |                                |                     |   |   |  |
| 12/31/17 <sup>3,4</sup>     | 10.82                                | .22   | .15   | .37                              | (.23)                                  | (.16)                              | (.39)                             | 10.80                          | 3.46 <sup>5</sup>   | 1                                       | .62 <sup>6</sup>                        | 2.01 <sup>6</sup>                                |
| <b>Class 2:</b>             |                                      |   |   |                                  |  |                                    |                                   |                                |                     |   |   |  |
| 12/31/17                    | 10.67                                | .21   | .18   | .39                              | (.21)                                  | (.16)                              | (.37)                             | 10.69                          | 3.67                | 3,966                                   | .63                                     | 1.94   |
| 12/31/16                    | 10.58                                | .18   | .13   | .31                              | (.18)                                  | (.04)                              | (.22)                             | 10.67                          | 2.95                | 3,959                                   | .63                                     | 1.65   |
| 12/31/15                    | 10.95                                | .18   | (.15)   | .03                              | (.18)                                  | (.22)                              | (.40)                             | 10.58                          | .28                 | 4,135                                   | .63                                     | 1.69   |
| 12/31/14                    | 10.61                                | .20   | .36   | .56                              | (.22)                                  | - <sup>8</sup>                     | (.22)                             | 10.95                          | 5.28                | 4,565                                   | .64                                     | 1.79   |
| 12/31/13                    | 11.17                                | .19   | (.43)   | (.24)                            | (.20)                                  | (.12)                              | (.32)                             | 10.61                          | (2.16)              | 4,763                                   | .64                                     | 1.76   |
| <b>Class 4:</b>             |                                      |   |   |                                  |  |                                    |                                   |                                |                     |   |   |  |
| 12/31/17                    | 10.70                                | .19   | .16   | .35                              | (.21)                                  | (.16)                              | (.37)                             | 10.68                          | 3.29                | 297                                     | .88                                     | 1.72   |
| 12/31/16                    | 10.61                                | .15   | .15   | .30                              | (.17)                                  | (.04)                              | (.21)                             | 10.70                          | 2.80                | 102                                     | .88                                     | 1.41   |
| 12/31/15                    | 11.01                                | .16   | (.16)   | -                                | (.18)                                  | (.22)                              | (.40)                             | 10.61                          | (.08)               | 59                                      | .88                                     | 1.47   |
| 12/31/14                    | 10.69                                | .16   | .39   | .55                              | (.23)                                  | - <sup>8</sup>                     | (.23)                             | 11.01                          | 5.15                | 29                                      | .89                                     | 1.43   |
| 12/31/13                    | 11.29                                | .17   | (.43)   | (.26)                            | (.22)                                  | (.12)                              | (.34)                             | 10.69                          | (2.34)              | 3                                       | .89                                     | 1.58   |

| Period ended                 | Net asset value, beginning of period | Income (loss) from investment operations <sup>1</sup> |   |                                  | Dividends and distributions            |                                    |                                   | Net asset value, end of period | Total return      | Net assets, end of period (in millions) | Ratio of expenses to average net assets | Ratio of net income (loss) to average net assets |
|------------------------------|--------------------------------------|---|---|----------------------------------|--|------------------------------------|-----------------------------------|--------------------------------|-------------------|---|---|--|
|                              |                                      | Net investment income (loss)                          | Net gains (losses) on securities (both realized and unrealized) | Total from investment operations | Dividends (from net investment income) | Distributions (from capital gains) | Total dividends and distributions |                                |                   |   |   |  |
| <b>Global Bond Fund</b>      |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| <b>Class 1:</b>              |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17                     | \$11.22                              | \$.28   | \$.52   | \$.80                            | \$(.07)                                | \$(.07)                            | \$(.14)                           | \$11.88                        | 7.11%             | \$1,273                                 | .56%                                    | 2.37%  |
| 12/31/16                     | 11.01                                | .26   | .06   | .32                              | (.09)                                  | (.02)                              | (.11)                             | 11.22                          | 2.92              | 1,115                                   | .57                                     | 2.26   |
| 12/31/15                     | 11.77                                | .27   | (.71)   | (.44)                            | (.01)                                  | (.31)                              | (.32)                             | 11.01                          | (3.75)            | 1,032                                   | .57                                     | 2.34   |
| 12/31/14                     | 11.88                                | .29   | (.08)   | .21                              | (.21)                                  | (.11)                              | (.32)                             | 11.77                          | 1.71              | 1,194                                   | .57                                     | 2.35   |
| 12/31/13                     | 12.32                                | .28   | (.58)   | (.30)                            | -                                      | (.14)                              | (.14)                             | 11.88                          | (2.40)            | 1,093                                   | .56                                     | 2.37   |
| <b>Class 1A:</b>             |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17 <sup>3,4</sup>      | 11.22                                | .26   | .52   | .78                              | (.06)                                  | (.07)                              | (.13)                             | 11.87                          | 7.00 <sup>5</sup> | - <sup>7</sup>                          | .72 <sup>6</sup>                        | 2.27 <sup>6</sup>                                |
| <b>Class 2:</b>              |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17                     | 11.14                                | .25   | .51   | .76                              | (.04)                                  | (.07)                              | (.11)                             | 11.79                          | 6.86              | 1,164                                   | .81                                     | 2.12   |
| 12/31/16                     | 10.93                                | .23   | .07   | .30                              | (.07)                                  | (.02)                              | (.09)                             | 11.14                          | 2.71              | 1,121                                   | .82                                     | 2.01   |
| 12/31/15                     | 11.72                                | .24   | (.71)   | (.47)                            | (.01)                                  | (.31)                              | (.32)                             | 10.93                          | (4.07)            | 1,208                                   | .82                                     | 2.09   |
| 12/31/14                     | 11.81                                | .26   | (.09)   | .17                              | (.15)                                  | (.11)                              | (.26)                             | 11.72                          | 1.39              | 1,386                                   | .82                                     | 2.11   |
| 12/31/13                     | 12.27                                | .25   | (.57)   | (.32)                            | -                                      | (.14)                              | (.14)                             | 11.81                          | (2.58)            | 1,496                                   | .81                                     | 2.11   |
| <b>Class 4:</b>              |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17                     | 11.08                                | .22   | .51   | .73                              | (.04)                                  | (.07)                              | (.11)                             | 11.70                          | 6.63              | 31                                      | 1.06                                    | 1.89   |
| 12/31/16                     | 10.89                                | .20   | .06   | .26                              | (.05)                                  | (.02)                              | (.07)                             | 11.08                          | 2.42              | 12                                      | 1.07                                    | 1.76   |
| 12/31/15                     | 11.70                                | .21   | (.71)   | (.50)                            | - <sup>8</sup>                         | (.31)                              | (.31)                             | 10.89                          | (4.27)            | 6                                       | 1.07                                    | 1.86   |
| 12/31/14                     | 11.87                                | .20   | (.05)   | .15                              | (.21)                                  | (.11)                              | (.32)                             | 11.70                          | 1.16              | 4                                       | 1.09                                    | 1.66   |
| 12/31/13                     | 12.31                                | .27   | (.57)   | (.30)                            | -                                      | (.14)                              | (.14)                             | 11.87                          | (2.41)            | - <sup>7</sup>                          | .79                                     | 2.25   |
| <b>High-Income Bond Fund</b> |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| <b>Class 1:</b>              |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17                     | \$10.18                              | \$.63   | \$.10   | \$.73                            | \$(.72)                                | \$ -                               | \$(.72)                           | \$10.19                        | 7.25%             | \$ 632                                  | .49%                                    | 5.98%  |
| 12/31/16                     | 9.19                                 | .61   | 1.02  | 1.63                             | (.64)                                  | -                                  | (.64)                             | 10.18                          | 17.83             | 949                                     | .49                                     | 6.18   |
| 12/31/15                     | 10.54                                | .64   | (1.36)  | (.72)                            | (.63)                                  | -                                  | (.63)                             | 9.19                           | (6.94)            | 1,017                                   | .48                                     | 6.12   |
| 12/31/14                     | 11.13                                | .67   | (.59)   | .08                              | (.67)                                  | -                                  | (.67)                             | 10.54                          | .80               | 1,017                                   | .48                                     | 5.90   |
| 12/31/13                     | 11.16                                | .75   | .01   | .76                              | (.79)                                  | -                                  | (.79)                             | 11.13                          | 6.89              | 856                                     | .48                                     | 6.54   |
| <b>Class 1A:</b>             |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17 <sup>3,4</sup>      | 10.28                                | .60   | .02   | .62                              | (.72)                                  | -                                  | (.72)                             | 10.18                          | 6.02 <sup>5</sup> | - <sup>7</sup>                          | .72 <sup>6</sup>                        | 5.74 <sup>6</sup>                                |
| <b>Class 2:</b>              |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17                     | 10.04                                | .59   | .10   | .69                              | (.70)                                  | -                                  | (.70)                             | 10.03                          | 6.89              | 776                                     | .74                                     | 5.72   |
| 12/31/16                     | 9.06                                 | .58   | 1.01  | 1.59                             | (.61)                                  | -                                  | (.61)                             | 10.04                          | 17.69             | 799                                     | .74                                     | 5.92   |
| 12/31/15                     | 10.41                                | .60   | (1.35)  | (.75)                            | (.60)                                  | -                                  | (.60)                             | 9.06                           | (7.30)            | 765                                     | .73                                     | 5.85   |
| 12/31/14                     | 10.99                                | .63   | (.57)   | .06                              | (.64)                                  | -                                  | (.64)                             | 10.41                          | .63               | 929                                     | .73                                     | 5.67   |
| 12/31/13                     | 11.03                                | .71   | .01   | .72                              | (.76)                                  | -                                  | (.76)                             | 10.99                          | 6.60              | 1,061                                   | .73                                     | 6.29   |
| <b>Class 3:</b>              |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17                     | 10.22                                | .61   | .10   | .71                              | (.70)                                  | -                                  | (.70)                             | 10.23                          | 7.02              | 12                                      | .67                                     | 5.79   |
| 12/31/16                     | 9.22                                 | .59   | 1.03  | 1.62                             | (.62)                                  | -                                  | (.62)                             | 10.22                          | 17.68             | 13                                      | .67                                     | 5.99   |
| 12/31/15                     | 10.57                                | .62   | (1.37)  | (.75)                            | (.60)                                  | -                                  | (.60)                             | 9.22                           | (7.13)            | 12                                      | .66                                     | 5.91   |
| 12/31/14                     | 11.16                                | .65   | (.59)   | .06                              | (.65)                                  | -                                  | (.65)                             | 10.57                          | .59               | 16                                      | .66                                     | 5.74   |
| 12/31/13                     | 11.18                                | .73   | .02   | .75                              | (.77)                                  | -                                  | (.77)                             | 11.16                          | 6.77              | 19                                      | .66                                     | 6.36   |
| <b>Class 4:</b>              |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17                     | 10.79                                | .61   | .10   | .71                              | (.68)                                  | -                                  | (.68)                             | 10.82                          | 6.63              | 34                                      | .99                                     | 5.46   |
| 12/31/16                     | 9.73                                 | .60   | 1.07  | 1.67                             | (.61)                                  | -                                  | (.61)                             | 10.79                          | 17.29             | 21                                      | .99                                     | 5.55   |
| 12/31/15                     | 11.05                                | .62   | (1.43)  | (.81)                            | (.51)                                  | -                                  | (.51)                             | 9.73                           | (7.42)            | 1                                       | .98                                     | 5.51   |
| 12/31/14                     | 11.12                                | .63   | (.59)   | .04                              | (.11)                                  | -                                  | (.11)                             | 11.05                          | .35               | - <sup>7</sup>                          | .98                                     | 5.49   |
| 12/31/13                     | 11.16                                | .67   | .08   | .75                              | (.79)                                  | -                                  | (.79)                             | 11.12                          | 6.81              | - <sup>7</sup>                          | .93                                     | 5.82   |

| Period ended                      | Net asset value, beginning of period | Income (loss) from investment operations <sup>1</sup> |   |                                  | Dividends and distributions            |                                    |                                   | Net asset value, end of period | Total return         | Net assets, end of period (in millions) | Ratio of expenses to average net assets | Ratio of net income (loss) to average net assets |
|-----------------------------------|--------------------------------------|---|---|----------------------------------|--|------------------------------------|-----------------------------------|--------------------------------|----------------------|---|---|--|
|                                   |                                      | Net investment income (loss)                          | Net gains (losses) on securities (both realized and unrealized) | Total from investment operations | Dividends (from net investment income) | Distributions (from capital gains) | Total dividends and distributions |                                |                      |   |   |  |
| <b>Mortgage Fund</b>              |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| <b>Class 1:</b>                   |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                          | \$10.56                              | \$.16   | \$ <sup>-8</sup>  | \$.16                            | \$(.18)                                | \$(.07)                            | \$(.25)                           | \$10.47                        | 1.47%                | \$265                                   | .47%                                    | 1.52%  |
| 12/31/16                          | 10.61                                | .15   | .11   | .26                              | (.20)                                  | (.11)                              | (.31)                             | 10.56                          | 2.50                 | 269                                     | .46                                     | 1.39   |
| 12/31/15                          | 10.70                                | .10   | .13   | .23                              | (.18)                                  | (.14)                              | (.32)                             | 10.61                          | 2.09                 | 272                                     | .45                                     | .89  |
| 12/31/14                          | 10.23                                | .12   | .45   | .57                              | (.10)                                  | -                                  | (.10)                             | 10.70                          | 5.54                 | 292                                     | .45                                     | 1.12   |
| 12/31/13                          | 10.47                                | .04   | (.18)   | (.14)                            | (.08)                                  | (.02)                              | (.10)                             | 10.23                          | (1.41)               | 198                                     | .44                                     | .35  |
| <b>Class 1A:</b>                  |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17 <sup>3,4</sup>           | 10.55                                | .14   | <sup>-8</sup>   | .14                              | (.16)                                  | (.07)                              | (.23)                             | 10.46                          | 1.31 <sup>5</sup>    | <sup>-7</sup>                           | .70 <sup>6</sup>                        | 1.38 <sup>6</sup>                                |
| <b>Class 2:</b>                   |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                          | 10.54                                | .14   | (.01)   | .13                              | (.15)                                  | (.07)                              | (.22)                             | 10.45                          | 1.22                 | 63                                      | .72                                     | 1.27   |
| 12/31/16                          | 10.59                                | .12   | .12   | .24                              | (.18)                                  | (.11)                              | (.29)                             | 10.54                          | 2.25                 | 63                                      | .71                                     | 1.14   |
| 12/31/15                          | 10.68                                | .07   | .13   | .20                              | (.15)                                  | (.14)                              | (.29)                             | 10.59                          | 1.86                 | 59                                      | .70                                     | .65  |
| 12/31/14                          | 10.22                                | .10   | .44   | .54                              | (.08)                                  | -                                  | (.08)                             | 10.68                          | 5.23                 | 52                                      | .70                                     | .91  |
| 12/31/13                          | 10.46                                | <sup>-8</sup>   | (.17)   | (.17)                            | (.05)                                  | (.02)                              | (.07)                             | 10.22                          | (1.68)               | 49                                      | .69                                     | (.02)  |
| <b>Class 4:</b>                   |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                          | 10.48                                | .11   | <sup>-8</sup>   | .11                              | (.14)                                  | (.07)                              | (.21)                             | 10.38                          | .97                  | 12                                      | .97                                     | 1.03   |
| 12/31/16                          | 10.52                                | .09   | .12   | .21                              | (.14)                                  | (.11)                              | (.25)                             | 10.48                          | 2.01                 | 8                                       | .96                                     | .86  |
| 12/31/15                          | 10.65                                | .04   | .14   | .18                              | (.17)                                  | (.14)                              | (.31)                             | 10.52                          | 1.62                 | 11                                      | .97                                     | .37  |
| 12/31/14                          | 10.23                                | .05   | .46   | .51                              | (.09)                                  | -                                  | (.09)                             | 10.65                          | 4.98                 | 1                                       | .94                                     | .47  |
| 12/31/13                          | 10.47                                | .02   | (.16)   | (.14)                            | (.08)                                  | (.02)                              | (.10)                             | 10.23                          | (1.41) <sup>11</sup> | <sup>-7</sup>                           | .38 <sup>11</sup>                       | .23 <sup>11</sup>                                |
| <b>Ultra-Short Term Bond Fund</b> |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| <b>Class 1:</b>                   |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                          | \$11.27                              | \$.08   | \$(.01)   | \$.07                            | \$(.05)                                | \$-                                | \$(.05)                           | \$11.29                        | .66%                 | \$ 37                                   | .35%                                    | .68%   |
| 12/31/16 <sup>12</sup>            | 11.26                                | .01   | <sup>-8</sup>   | .01                              | -                                      | -                                  | -                                 | 11.27                          | .09                  | 37                                      | .35                                     | .11  |
| 12/31/15                          | 11.28                                | (.03)   | .01   | (.02)                            | -                                      | -                                  | -                                 | 11.26                          | (.18)                | 39                                      | .34                                     | (.24)  |
| 12/31/14                          | 11.31                                | (.03)   | -   | (.03)                            | -                                      | -                                  | -                                 | 11.28                          | (.27)                | 49                                      | .34                                     | (.26)  |
| 12/31/13                          | 11.34                                | (.03)   | <sup>-8</sup>   | (.03)                            | -                                      | -                                  | -                                 | 11.31                          | (.27)                | 57                                      | .34                                     | (.24)  |
| <b>Class 1A:</b>                  |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17 <sup>3,4</sup>           | 11.27                                | .08   | <sup>-8</sup>   | .08                              | (.06)                                  | -                                  | (.06)                             | 11.29                          | .67 <sup>5</sup>     | <sup>-7</sup>                           | .34 <sup>6</sup>                        | .69 <sup>6</sup>                                 |
| <b>Class 2:</b>                   |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                          | 10.99                                | .05   | <sup>-8</sup>   | .05                              | (.03)                                  | -                                  | (.03)                             | 11.01                          | .46                  | 249                                     | .60                                     | .42  |
| 12/31/16 <sup>12</sup>            | 11.01                                | (.02)   | <sup>-8</sup>   | (.02)                            | -                                      | -                                  | -                                 | 10.99                          | (.18)                | 297                                     | .60                                     | (.14)  |
| 12/31/15                          | 11.06                                | (.05)   | <sup>-8</sup>   | (.05)                            | -                                      | -                                  | -                                 | 11.01                          | (.45)                | 302                                     | .59                                     | (.49)  |
| 12/31/14                          | 11.12                                | (.06)   | -   | (.06)                            | -                                      | -                                  | -                                 | 11.06                          | (.54)                | 331                                     | .59                                     | (.51)  |
| 12/31/13                          | 11.17                                | (.05)   | <sup>-8</sup>   | (.05)                            | -                                      | -                                  | -                                 | 11.12                          | (.45)                | 395                                     | .59                                     | (.49)  |
| <b>Class 3:</b>                   |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                          | 11.10                                | .06   | <sup>-8</sup>   | .06                              | (.04)                                  | -                                  | (.04)                             | 11.12                          | .54                  | 4                                       | .53                                     | .50  |
| 12/31/16 <sup>12</sup>            | 11.11                                | (.01)   | <sup>-8</sup>   | (.01)                            | -                                      | -                                  | -                                 | 11.10                          | (.09)                | 4                                       | .53                                     | (.08)  |
| 12/31/15                          | 11.16                                | (.05)   | <sup>-8</sup>   | (.05)                            | -                                      | -                                  | -                                 | 11.11                          | (.45)                | 6                                       | .52                                     | (.42)  |
| 12/31/14                          | 11.21                                | (.05)   | -   | (.05)                            | -                                      | -                                  | -                                 | 11.16                          | (.45)                | 8                                       | .52                                     | (.44)  |
| 12/31/13                          | 11.26                                | (.05)   | <sup>-8</sup>   | (.05)                            | -                                      | -                                  | -                                 | 11.21                          | (.44)                | 8                                       | .52                                     | (.42)  |
| <b>Class 4:</b>                   |                                      |   |   |                                  |  |                                    |                                   |                                |                      |   |   |  |
| 12/31/17                          | 11.12                                | .02   | <sup>-8</sup>   | .02                              | (.01)                                  | -                                  | (.01)                             | 11.13                          | .16                  | 15                                      | .85                                     | .19  |
| 12/31/16 <sup>12</sup>            | 11.17                                | (.04)   | (.01)   | (.05)                            | -                                      | -                                  | -                                 | 11.12                          | (.45)                | 13                                      | .85                                     | (.40)  |
| 12/31/15                          | 11.25                                | (.08)   | <sup>-8</sup>   | (.08)                            | -                                      | -                                  | -                                 | 11.17                          | (.71)                | 16                                      | .85                                     | (.74)  |
| 12/31/14                          | 11.30                                | (.09)   | .04   | (.05)                            | -                                      | -                                  | -                                 | 11.25                          | (.44)                | 7                                       | .84                                     | (.77)  |
| 12/31/13                          | 11.34                                | (.04)   | <sup>-8</sup>   | (.04)                            | -                                      | -                                  | -                                 | 11.30                          | (.35) <sup>11</sup>  | <sup>-7</sup>                           | .37 <sup>11</sup>                       | (.32) <sup>11</sup>                              |

| Period ended                                     | Net asset value, beginning of period | Income (loss) from investment operations <sup>1</sup> |   |                                  | Dividends and distributions            |                                    |                                   | Net asset value, end of period | Total return      | Net assets, end of period (in millions) | Ratio of expenses to average net assets | Ratio of net income (loss) to average net assets |
|--|--------------------------------------|---|---|----------------------------------|--|------------------------------------|-----------------------------------|--------------------------------|-------------------|---|---|--|
|  |                                      | Net investment income (loss)                          | Net gains (losses) on securities (both realized and unrealized) | Total from investment operations | Dividends (from net investment income) | Distributions (from capital gains) | Total dividends and distributions |                                |                   |   |   |  |
| <b>U.S. Government/AAA-Rated Securities Fund</b> |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| <b>Class 1:</b>                                  |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17   | \$12.05                              | \$ .21  | \$ .01  | \$ .22                           | \$(.19)                                | \$ -                               | \$(.19)                           | \$12.08                        | 1.83%             | \$1,558                                 | .36%                                    | 1.68%  |
| 12/31/16   | 12.31                                | .16   | .03   | .19                              | (.20)                                  | (.25)                              | (.45)                             | 12.05                          | 1.44              | 1,467                                   | .36                                     | 1.31   |
| 12/31/15   | 12.40                                | .13   | .09   | .22                              | (.21)                                  | (.10)                              | (.31)                             | 12.31                          | 1.93              | 1,426                                   | .35                                     | 1.02   |
| 12/31/14   | 11.94                                | .15   | .48   | .63                              | (.17)                                  | -                                  | (.17)                             | 12.40                          | 5.24              | 1,723                                   | .35                                     | 1.24   |
| 12/31/13   | 12.75                                | .08   | (.44)   | (.36)                            | (.11)                                  | (.34)                              | (.45)                             | 11.94                          | (2.87)            | 1,584                                   | .35                                     | .67  |
| <b>Class 1A:</b>                                 |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17 <sup>3,4</sup>                          | 12.05                                | .18   | .03   | .21                              | (.18)                                  | -                                  | (.18)                             | 12.08                          | 1.73 <sup>3</sup> | - <sup>7</sup>                          | .58 <sup>6</sup>                        | 1.53 <sup>6</sup>                                |
| <b>Class 2:</b>                                  |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17   | 11.93                                | .17   | .02   | .19                              | (.16)                                  | -                                  | (.16)                             | 11.96                          | 1.59              | 1,473                                   | .61                                     | 1.43   |
| 12/31/16   | 12.20                                | .13   | .02   | .15                              | (.17)                                  | (.25)                              | (.42)                             | 11.93                          | 1.19              | 1,503                                   | .61                                     | 1.05   |
| 12/31/15   | 12.29                                | .10   | .09   | .19                              | (.18)                                  | (.10)                              | (.28)                             | 12.20                          | 1.59              | 1,579                                   | .60                                     | .79  |
| 12/31/14   | 11.83                                | .12   | .47   | .59                              | (.13)                                  | -                                  | (.13)                             | 12.29                          | 5.01              | 1,717                                   | .60                                     | 1.00   |
| 12/31/13   | 12.63                                | .05   | (.43)   | (.38)                            | (.08)                                  | (.34)                              | (.42)                             | 11.83                          | (3.08)            | 1,801                                   | .60                                     | .42  |
| <b>Class 3:</b>                                  |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17   | 12.07                                | .18   | .03   | .21                              | (.17)                                  | -                                  | (.17)                             | 12.11                          | 1.72              | 10                                      | .54                                     | 1.50   |
| 12/31/16   | 12.34                                | .14   | .02   | .16                              | (.18)                                  | (.25)                              | (.43)                             | 12.07                          | 1.24              | 11                                      | .54                                     | 1.12   |
| 12/31/15   | 12.43                                | .11   | .09   | .20                              | (.19)                                  | (.10)                              | (.29)                             | 12.34                          | 1.64              | 11                                      | .53                                     | .85  |
| 12/31/14   | 11.96                                | .13   | .48   | .61                              | (.14)                                  | -                                  | (.14)                             | 12.43                          | 5.11              | 13                                      | .53                                     | 1.08   |
| 12/31/13   | 12.76                                | .06   | (.43)   | (.37)                            | (.09)                                  | (.34)                              | (.43)                             | 11.96                          | (3.00)            | 14                                      | .53                                     | .47  |
| <b>Class 4:</b>                                  |                                      |   |   |                                  |  |                                    |                                   |                                |                   |   |   |  |
| 12/31/17   | 11.96                                | .14   | .01   | .15                              | (.13)                                  | -                                  | (.13)                             | 11.98                          | 1.28              | 62                                      | .86                                     | 1.18   |
| 12/31/16   | 12.22                                | .10   | .03   | .13                              | (.14)                                  | (.25)                              | (.39)                             | 11.96                          | .99               | 57                                      | .86                                     | .82  |
| 12/31/15   | 12.34                                | .07   | .08   | .15                              | (.17)                                  | (.10)                              | (.27)                             | 12.22                          | 1.29              | 46                                      | .85                                     | .56  |
| 12/31/14   | 11.93                                | .06   | .51   | .57                              | (.16)                                  | -                                  | (.16)                             | 12.34                          | 4.76              | 21                                      | .85                                     | .50  |
| 12/31/13   | 12.75                                | .08   | (.44)   | (.36)                            | (.12)                                  | (.34)                              | (.46)                             | 11.93                          | (2.95)            | - <sup>7</sup>                          | .84                                     | .68  |

| Portfolio turnover rate for all share classes<br>excluding mortgage dollar roll transactions | Period ended December 31 |      |      |                     |               |
|--|--------------------------|------|------|---------------------|---------------|
|  | 2017                     | 2016 | 2015 | 2014                | 2013          |
| Capital Income Builder   | 59%                      | 41%  | 38%  | 24% <sup>5,10</sup> |               |
| Asset Allocation Fund  | 39                       | 43   | 28   | 42                  |               |
| Global Balanced Fund   | 28                       | 43   | 36   | 40                  |               |
| Bond Fund  | 153                      | 108  | 141  | 121                 | Not available |
| Global Bond Fund   | 74                       | 70   | 88   | 134                 |               |
| Mortgage Fund  | 98                       | 113  | 138  | 108                 |               |
| U.S. Government/AAA-Rated Securities Fund  | 120                      | 273  | 352  | 88                  |               |

| Portfolio turnover rate for all share classes<br>including mortgage dollar roll transactions, if applicable | Period ended December 31 |                    |      |                    |      |
|---|--------------------------|--------------------|------|--------------------|------|
|   | 2017                     | 2016               | 2015 | 2014               | 2013 |
| Global Growth Fund  | 31%                      | 27%                | 29%  | 22%                | 39%  |
| Global Small Capitalization Fund  | 33                       | 40                 | 36   | 28                 | 36   |
| Growth Fund   | 24                       | 26                 | 20   | 29                 | 19   |
| International Fund  | 29                       | 31                 | 37   | 18                 | 21   |
| New World Fund  | 56                       | 32                 | 39   | 36                 | 43   |
| Blue Chip Income and Growth Fund  | 34                       | 30                 | 26   | 37                 | 30   |
| Global Growth and Income Fund   | 41                       | 57                 | 37   | 28                 | 31   |
| Growth-Income Fund  | 27                       | 27                 | 25   | 25                 | 19   |
| International Growth and Income Fund  | 51                       | 32                 | 35   | 34                 | 34   |
| Capital Income Builder  | 88                       | 53                 | 128  | 35 <sup>5,10</sup> |      |
| Asset Allocation Fund   | 85                       | 83                 | 76   | 88                 | 74   |
| Global Balanced Fund  | 41                       | 65                 | 76   | 73                 | 81   |
| Bond Fund   | 502                      | 375                | 434  | 365                | 354  |
| Global Bond Fund  | 105                      | 154                | 159  | 200                | 213  |
| High-Income Bond Fund   | 78                       | 89                 | 66   | 54                 | 64   |
| Mortgage Fund   | 680                      | 713                | 1103 | 790                | 715  |
| Ultra-Short Bond Fund   | — <sup>13</sup>          | — <sup>12,13</sup> | N/A  | N/A                | N/A  |
| U.S. Government/AAA-Rated Securities Fund   | 551                      | 539                | 901  | 387                | 621  |

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> For the year ended December 31, 2014, reflects the impact of a corporate action event that resulted in a one-time increase to net investment income. If the corporate action event had not occurred, the net investment income per share and ratio of net income to average net assets would have been lower for all share classes.

<sup>3</sup> Based on operations for a period that is less than a full year.

<sup>4</sup> Class 1A shares began investment operations on January 6, 2017.

<sup>5</sup> Not annualized.

<sup>6</sup> Annualized.

<sup>7</sup> Amount less than \$1 million.

<sup>8</sup> Amount less than \$.01.

<sup>9</sup> Amount less than .01%.

<sup>10</sup> For the period May 1, 2014, commencement of operations, through December 31, 2014.

<sup>11</sup> All or a significant portion of assets in this class consisted of seed capital invested by Capital Research and Management Company and/or its affiliates. Certain fees (including, where applicable, fees for distribution services) are not charged or accrued on these seed capital assets. If such fees were paid by the fund on seed capital assets, fund expenses would have been higher and net income and total return would have been lower.

<sup>12</sup> On May 1, 2016, the fund converted from a cash management fund to an ultra-short-term bond fund and changed its name from Cash Management Fund to Ultra-Short Bond Fund.

<sup>13</sup> Amount is either less than 1% or there is no turnover.

**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 Series will monitor for the existence of any material conflicts and determine what action, if any, should be taken. Shares may be purchased or redeemed by the separate accounts without any sales or redemption charges at net asset value.

**Annual/Semi-annual report to shareholders** The shareholder reports contain additional information about the Series, including financial statements, investment results, portfolio holdings, a discussion of market conditions and the Series' investment strategies, and the independent registered public accounting firm's report (in the annual report).

**Statement of additional information (SAI) and codes of ethics** The current SAI, as amended from time to time, contains more detailed information about the Series, including the funds' financial statements, and is incorporated by reference into this prospectus. This means that the current SAI, for legal purposes, is part of this prospectus. The codes of ethics describe the personal investing policies adopted by the Series, the Series' investment adviser and its affiliated companies.

The codes of ethics and current SAI are on file with the U.S. Securities and Exchange Commission (SEC). These and other related materials about the Series are available for review or to be copied at the SEC's Public Reference Room in Washington, D.C., (202) 551-8090, on the EDGAR database on the SEC's website at [sec.gov](http://sec.gov) or, after payment of a duplicating fee, via email request to [publicinfo@sec.gov](mailto:publicinfo@sec.gov) or by writing to the SEC's Public Reference Section, 100 F Street, NE, Washington, D.C. 20549-1520.

The current SAI and annual/semi-annual reports to shareholders can be found online at [americanfunds.com/afis](http://americanfunds.com/afis) and may be available on the website of the company that issued your insurance contract. You also may request a free copy of these documents or the codes of ethics by calling American Funds at (800) 421-9900, ext. 65413 or writing to the Secretary at 333 South Hope Street, Los Angeles, California 90071.