American Century Investments®

Equity Income Fund

Quarterly Commentary

Portfolio Review

A difficult quarter for U.S. equities. U.S. stocks suffered their worst quarter since 2022. Investors faced a dizzying array of uncertainty as it related to U.S. tariff policy, inflation and economic growth. Compounding troubles was evidence that consumer sentiment has worsened, which has led to consumers pulling back on spending.

Investors seek cover from volatility. Mid- and small-cap stocks underperformed large-cap stocks during the quarter, partly due to an unsettled outlook on inflation and the Federal Reserve's decision-making on interest rates. Investors fled to low-volatility and dividend-paying stocks as growth and momentum fell out of favor.

Health care supported performance. As market turbulence punctuated the first quarter of 2025, investors looked for less cyclical stocks and found them in the health care sector. The portfolio's overweight position relative to the benchmark and stock selection in health care proved beneficial for performance compared with the benchmark. Our allocation among pharmaceutical companies, in particular, was helpful.

Industrials boosted performance. Security selection in the industrials sector helped propel results compared with the benchmark. Limited exposure to certain industries, such as electrical equipment and machinery, and avoiding certain passenger airlines stocks contributed to performance.

The financials sector was a drag. Selection detracted from performance compared with the benchmark. A lack of exposure to financial services was a key reason, driven in large part by the continued strong performance of Berkshire Hathaway. T. Rowe Price Group, an investment firm, was a detractor that saw shares fall alongside the broader decline in equity markets.

Key Contributors

Johnson & Johnson. Shares of this pharmaceutical company gained, along with those of its peers, because investors sought opportunities that presented less risk as the global economic outlook for the year became less certain.

Medtronic. This medical device company learned regulators would begin analyzing its renal denervation device for full Medicare coverage later in the year, which could expand the product's market. Also, a competitor paused sales of a treatment for abnormal heart rhythms, giving Medtronic an opportunity to gain market share.

Enterprise Products Partners. Shares of this midstream operator advanced on an earnings report that broadly beat expectations. Strong performance in the energy sector, prompted by investors seeking stable positions amid market volatility, also helped Enterprise Products Partners.

Key Detractors

Berkshire Hathaway. Not owning shares in this conglomerate detracted from results compared with the benchmark. Berkshire Hathaway's shares reached a new high in March as it continued its momentum from strong earnings from the month before.

Philip Morris International. Not owning shares of this tobacco company dampened performance. Philip Morris issued strong guidance for sales of its nicotine pouch product during the period.

Goal and Strategy

Current income and long-term capital growth by investing in companies of all sizes that are believed to be undervalued.

Portfolio Management Team

Name	Start Date: Industry	Start Date: Company
Brian Woglom, CFA	1998	2005
Paul Howanitz, CFA	2008	2015
Kevin Toney, CFA	1993	1999
Michael Liss, CPA, CFA	1991	1998

Top 10 Holdings (%)

Johnson & Johnson	4.77
Enterprise Products Partners LP	3.26
Medtronic PLC	3.02
Becton Dickinson & Co	2.77
JPMorgan Chase & Co	2.65
Norfolk Southern Corp	2.54
Exxon Mobil Corp	2.30
Microchip Technology Inc (conv)	2.17
Kenvue Inc	2.07
Cisco Systems Inc/Delaware	1.88

As of 3/31/2025

The holdings listed should not be considered recommendations to purchase or sell a particular security. Equity holdings are grouped to include common shares, depository receipts, rights and warrants issued by the same company. Fund holdings subject to change.

T. Rowe Price Group. This investment management firm reported earnings that were below expectations during the period. T. Rowe Price experienced net outflows during its most recent quarter, driven by the loss of a large mandate.

Notable Trades

Martin Marietta Materials. We initiated a position in this heavy materials supplier on weakness. We believe this high-quality company may be poised to benefit from improved pricing in 2025.

Wells Fargo & Co. We initiated a position in this Wells Fargo preferred perpetual stock because we believe the security offers both a favorable rate of return and attractive terms.

JPMorgan Chase & Co. This preferred perpetual stock was called during the period.

Citigroup. This Citigroup preferred perpetual stock was called during the period.

Portfolio Positioning

The portfolio seeks to invest in companies where we believe the valuation and relative rate of return do not reflect the quality and normal earnings power of the company. We believe this can result in a portfolio with higher rates of return and less volatility. Our process is based on individual security selection, but broad themes have emerged.

Higher-quality stocks may offer resilience. Continuing inflation and uncertain macroeconomic and policy conditions, such as tariffs, have contributed to a murky outlook for the economy and for interest rates. Those factors, along with ongoing geopolitical risks, have investors navigating an unsettled economic landscape. Against this backdrop, we continue to focus on companies that we think are higher quality because of stable revenues and profits, low indebtedness, stable cash flows and predictable business models that are less sensitive to economic conditions.

Opportunities in consumer staples and utilities. We maintain a significant overweight in consumer staples relative to the benchmark. Even as consumers grapple with economic pressures like inflation, they still have to buy the necessities sold by companies in the defensive consumer staples sector. We also remain keen on utilities for their defensive nature and attractive valuations, as well as the potential for new electricity demand from data centers supporting the computing power of artificial intelligence.

Navigating the financials sector. We remain selective in the financials sector, the largest absolute weight in the portfolio. We tend to take preferred securities that offer us exposure to banks for income purposes while also mitigating risk.

Few opportunities in consumer discretionary and real estate. While consumer activity has significantly supported the economy, recent economic reports point to a slowdown in spending. That may pressure consumer discretionary stocks, a sector where we already find it difficult to identify companies with durable business models. Within the real estate sector, our metrics continue to show that most equities remain overvalued.

Our exposure to the communication services sector remains limited. The portfolio is underweight relative to the benchmark in the communication services sector. To us, many companies in this sector have volatile business models and high levels of debt, which prevent them from meeting our investment criteria.

Equity Income Fund

TICKERS Investor Class: TWEIX	I Class: ACIIX	A Class: TWEAX	C Class: AEYIX	R Class: AEURX	R5 Class: AEIUX	R6 Class: AEUDX

Data presented reflects past performance. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance shown. To obtain performance data current to the most recent month end, please visit www.americancentury.com/performance. Investment return and share value will fluctuate, and redemption value may be more or less than original cost. Data assumes reinvestment of dividends and capital gains. Returns for periods less than one year are not annualized. For information about other share classes available, please consult the prospectus. There is no guarantee that the investment objectives will be met. Dividends and yields represent past performance and there is no guarantee that they will continue to be paid.

Average Annual Total Returns for Period Ended 3/31/2025

Class	Qtr (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)	Inception Date	Gross Expense Ratio (%)
Investor	4.68	9.70	5.01	11.85	8.32	9.94	8/1/94	0.93
I	4.72	9.91	5.22	12.06	8.54	8.48	7/8/98	0.73
R5	4.73	9.92	5.22	12.08	8.54	7.67	4/10/17	0.73
R6	4.75	10.06	5.37	12.22	8.70	8.85	7/26/13	0.58
Russell 3000 Value Index	1.64	6.66	6.28	16.13	8.63	-	-	-

Historical performance for the R5 Class prior to its inception is based on the performance of I Class shares, which have the same expenses as the R5 Class.

Expense ratio is as of the fund's current prospectus. The I Class minimum investment amount is $5 million ($3 million for endowments and foundations) per fund. The R5 Share Class is available only to participants in group employer-sponsored retirement plans where a financial intermediary provides recordkeeping services to plan participants.

Periods greater than one year have been annualized.

You should consider the fund's investment objectives, risks, and charges and expenses carefully before you invest. The fund's prospectus or summary prospectus, which can be obtained at americancentury.com, contains this and other information about the fund, and should be read carefully before investing.

The fund invests in convertible securities, which may be affected by changes in interest rates, the credit of the issuer and the value of the underlying common stock. The fund also may invest in foreign securities, which can be riskier than investing in U.S. securities.

The opinions expressed are those of the portfolio investment team and are no guarantee of the future performance of any American Century Investments portfolio. Statements regarding specific holdings represent personal views and compensation has not been received in connection with such views. This information is for an educational purpose only and is not intended to serve as investment advice.

The information is not intended as a personalized recommendation or fiduciary advice and should not be relied upon for investment, accounting, legal or tax advice.

The Russell 3000® Value Index measures the performance of those Russell 3000® Index companies (the 3,000 largest U.S. companies based on total market capitalization) with lower price-to-book ratios and lower forecasted growth values. The Russell 3000® Index is a trademark/service mark of the Frank Russell Company. Russell® is trademark of the Frank Russell Company.

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