

# Sustainable Equity

TICKERS Investor Class: AFDIX | I Class: AFEIX | A Class: AFDAX | C Class: AFDCX | R Class: AFDRX | R5 Class: AFDGX | R6 Class: AFEDX

## Overall Morningstar Ratings™

Morningstar Category: Large Blend

Investor Class **★★★**

Morningstar ratings vary among share classes and are based on historical risk-adjusted total returns, which are not indicative of future results.

## Morningstar Sustainability Rating



Out of 3,511 funds in U.S. Equity Large Cap Blend global category as of 05/31/2023. Based on 98.53% of AUM. Sustainability Score and Sustainability Rating as of 05/31/2023. Sustainalytics provides company-level analysis used in the calculation of Morningstar's Sustainability Score.

## Goal and Strategy

Long-term capital growth with income as a secondary objective.

## Distinguishing Characteristics

Invests in a blend of large value and growth stocks while seeking to outperform the index with a comparable dividend yield without taking on significant additional risk. The portfolio managers also consider environmental, social and governance ("ESG") factors when making investment decisions.

## Portfolio Management Team

Name	Start Date	
	Industry	Company
Joseph Reiland, CFA	1995	2000
Justin Brown, CFA	1993	2000
Rob Bove, CPA	1994	2005

## Fund Information

Total Fund Assets	\$4.4B
Dividend Frequency	Annual
Index	S&P 500

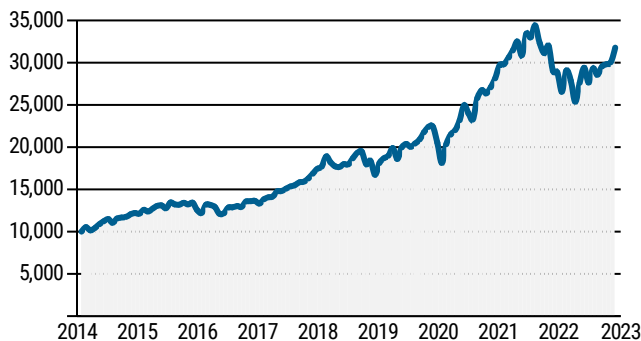
## Risk Measures (3-year)

Alpha (Annualized)	-1.64
Beta	1.02
R-squared	0.99
Std. Deviation (Annualized)	18.69
Sharpe Ratio	0.63

## Expenses and Sales Charges

Class	Expense Ratio (%)
Investor	0.79
I	0.59
<b>A (5.75% Initial Sales Charge)</b>	<b>1.04</b>
C	1.79
R	1.29
R5	0.59
R6	0.44

## Growth of a Hypothetical \$10,000 Investment



American Century Sustainable Equity  
**\$31,742**

Investor Class as of 6.30.2023.

## Performance (%)

Class	Qtr	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
Investor	7.53	19.62	13.04	12.09	12.24	10.22	7/29/05
I	7.59	19.85	13.27	12.32	12.47	10.44	7/29/05
R5	7.58	19.87	13.27	12.31	12.47	13.30	4/10/17
R6	7.62	20.03	13.43	-	-	12.95	4/1/19
Index	8.74	19.59	14.60	12.30	12.86	-	-

## Calendar Year Returns (%) - Investor Class

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD
Fund	14.07	-1.67	8.99	25.79	-5.50	33.82	19.27	28.60	-19.53	14.94
Index	13.69	1.38	11.96	21.83	-4.38	31.49	18.40	28.71	-18.11	16.89

**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](http://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.**

**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](http://americancentury.com), contains this and other information about the fund, and should be read carefully before investing.**

**DUE TO MARKET VOLATILITY, CURRENT PERFORMANCE MAY BE DIFFERENT THAN THE FIGURES SHOWN.**

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.

## A Note About Risk

The value and/or returns of a portfolio will fluctuate with market and economic conditions. Different investment styles tend to shift in and out of favor depending upon market and economic conditions, as well as investor sentiment. A fund may outperform or underperform other funds that employ a different investment style. International investing involves special risk considerations, including economic and political conditions, inflation rates and currency fluctuations. 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. 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.

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. A contingent deferred sales charge (CDSC) of 1% for A Shares is only charged at redemption within the first year on purchases over \$1MM. There is no initial sales charge in these situations. C Class shares are subject to a CDSC of 1% and the charges will be imposed on certain redemptions within 12 months. The R, R5 and R6 Share Classes are available only to participants in group employer-sponsored retirement plans where a financial intermediary provides recordkeeping services to plan participants.

Returns or yields for the fund would have been lower if a portion of the management fee had not been waived. Review the annual or semiannual report for the most current information.

## Portfolio Characteristics

	Fund	Index
Equity Holdings	100	503
Wtd Avg Market Cap	\$651.1B	\$680.8B
Price/Earnings Ratio	24.68x	23.59x
Price/Book Ratio	4.82x	4.07x

## Investment Blend (%)

Domestic Stock	98.08
Foreign Stock	1.28
Futures	0.41
Cash and Cash Alternatives	0.23

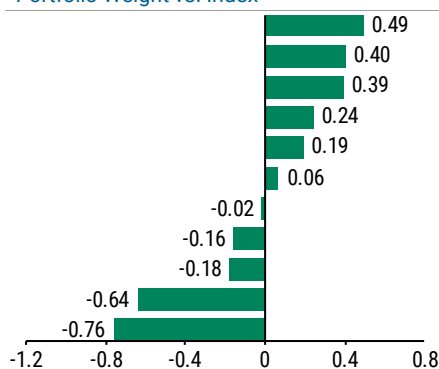
## Top 10 Holdings (%)

Microsoft Corp	8.58
Apple Inc	5.32
Alphabet Inc	4.27
NVIDIA Corp	3.26
Amazon.com Inc	2.50
UnitedHealth Group Inc	1.90
NextEra Energy Inc	1.80
Visa Inc	1.80
Prologis Inc	1.72
Meta Platforms Inc	1.70
<b>Total Percent in Top 10 Holdings</b>	<b>32.85</b>

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.

## Sector Weights (%)

## Portfolio Weight vs. Index



Sector	Fund	Index
Financials	12.91	12.42
Industrials	8.89	8.49
Materials	2.89	2.50
Information Technology	28.50	28.26
Health Care	13.61	13.42
Consumer Staples	6.73	6.67
Communication Services	8.37	8.39
Real Estate	2.33	2.49
Energy	3.93	4.11
Consumer Discretionary	10.02	10.66
Utilities	1.82	2.58

## Morningstar Rating - Investor Class

## Morningstar Category - Large Blend

	Overall	3 Year	5 Year	10 Year
Rating	***	**	****	***
# of Funds	1,280	1,280	1,175	872

The Morningstar Rating™ for funds, or star rating, is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

Many of American Century's investment strategies incorporate the consideration of environmental, social, and/or governance (ESG) factors into their investment processes in addition to traditional financial analysis. However, when doing so, the portfolio managers may not consider ESG factors with respect to every investment decision and, even when such factors are considered, they may conclude that other attributes of an investment outweigh ESG considerations when making decisions for the portfolio. The consideration of ESG factors may limit the investment opportunities available to a portfolio, and the portfolio may perform differently than those that do not incorporate ESG considerations. ESG data used by the portfolio managers often lacks standardization, consistency, and transparency, and for certain companies such data may not be available, complete, or accurate.

**ESG Integrated:** An investment strategy that integrates ESG factors aims to make investment decisions through the analysis of ESG factors alongside other financial variables in an effort to deliver superior, long-term, risk-adjusted returns. Therefore, ESG factors may limit the investment opportunities available, and the portfolio may perform differently than those that do not incorporate ESG factors. Portfolio managers have ultimate discretion in how ESG issues may impact a portfolio's holdings, and depending on their analysis, investment decisions may not be affected by ESG factors.

**ESG Focused:** An investment strategy that focuses on ESG factors seeks to invest, under normal market conditions, in securities that meet certain ESG criteria or standards in an effort to promote sustainable characteristics, in addition to seeking superior, long term, risk-adjusted returns. This investment focus may limit the investment opportunities available to a portfolio. Therefore, the portfolio may underperform or perform differently than other portfolios that do not have an ESG investment focus. ESG-focused investment strategies include but are not limited to impact, best-in-class, positive screening, exclusionary, and thematic approaches.

The Morningstar Sustainability Rating™ is intended to measure how well the issuing companies of the securities within a fund's portfolio holdings are managing their financially material environmental, social and governance, or ESG, risks relative to the fund's Morningstar Global Category peers.

The Morningstar Sustainability Rating calculation is a five-step process. First, each fund with at least 67% of assets covered by a company-level ESG Risk Score from Sustainalytics receives a Morningstar Portfolio Sustainability Score. The Morningstar Portfolio Sustainability Score is an asset-weighted average of company-level ESG Risk Scores. The Portfolio Sustainability Score ranges between 0 to 100, with a higher score indicating that a fund has, on average, more of its assets invested in companies with high ESG Risk.

Second, the Historical Sustainability Score is an exponential weighted moving average of the Portfolio Sustainability Scores over the past 12 months. The process rescales the current Portfolio Sustainability Score to reflect the consistency of the scores. The Historical Sustainability Score ranges between 0 to 100, with a higher score indicating that a fund has, on average, more of its assets invested in companies with high ESG Risk, on a consistent historical basis.

Third, the Morningstar Sustainability Rating is then assigned to all scored funds within Morningstar Global Categories in which at least thirty (30) funds receive a Historical Sustainability Score and is determined by each fund's Morningstar Sustainability Rating Score rank within the following distribution: High (highest 10%); Above Average (next 22.5%); Average (next 35%); Below Average (next 22.5%) and Low (lowest 10%).

Fourth, we apply a 1% rating buffer from the previous month to increase rating stability. This means a fund must move 1% beyond the rating breakpoint to change ratings.

Fifth, we adjust downward positive Sustainability Ratings to funds with a high ESG Risk scores. The logic is as follows:

- If Portfolio Sustainability score is above 40, then the fund receives a Low Sustainability Rating
- If Portfolio Sustainability score is above 35 and preliminary rating is Average or better, then the fund is downgraded to Below Average
- If Portfolio Sustainability score is above 30 and preliminary rating is Above Average, then the fund is downgraded to Average
- If Portfolio Sustainability score is below 30, then no adjustment is made.

The Morningstar Sustainability Rating is depicted by globe icons where High equals 5 globes and Low equals 1 globe. Since a Sustainability Rating is assigned to all funds that meet the above criteria, the rating it is not limited to funds with explicit sustainable or responsible investment mandates.

Morningstar updates its Sustainability Ratings monthly. The Portfolio Sustainability Score is calculated when Morningstar receives a new portfolio. Then, the Historical Sustainability Score and the Sustainability Rating is calculated one month and six business days after the reported as-of date of the most recent portfolio. As part of the evaluation process, Morningstar uses Sustainalytics' ESG scores from the same month as the portfolio as-of date.

©2023 Morningstar, Inc. All Rights Reserved. Certain information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Sustainalytics is an independent ESG and corporate governance research, ratings, and analysis firm and is not an affiliated company of Morningstar.

©2023 Standard & Poor's Financial Services LLC. All rights reserved. For intended recipient only. No further distribution and/or reproduction permitted. Standard & Poor's Financial Services LLC ("S & P") does not guarantee the accuracy, adequacy, completeness or availability of any data or information contained herein and is not responsible for any errors or omissions or for the results obtained from the use of such data or information. S&P GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE IN CONNECTION TO THE DATA OR INFORMATION INCLUDED HEREIN. In no event shall S&P be liable for any direct, indirect, special or consequential damages in connection with recipients' use of such data or information. The S&P 500® Index is composed of 500 selected common stocks, most of which are listed on the New York Stock Exchange. Stocks are chosen on a market capitalization-weighted basis. Because of this weighting, the fund expects that the 50 largest companies will comprise a large proportion of the S&P® Index. Created by Standard & Poor's® Corporation, it is considered to represent the performance of the stock market in general. It is not an investment product available for purchase.

**Key Terms:** **Alpha:** Shows how a fund did relative to what would have been expected given the fund's beta and the performance of the benchmark index. For example, an alpha of 1.4 means that the fund outperformed its estimated return (based on market activity alone) by 1.4%. **Beta:** Measures the volatility of the fund, as compared to that of the overall market. The market's beta is set at 1.00; a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile. **Weighted Average Market Capitalization:** The average of the weighted capitalizations of a portfolio's holdings. **Price/Earnings Ratio (P/E):** The price of stock divided by its annual earnings per share. **Price/Book Ratio (P/B):** The ratio of a stock's price to its book value per share. **R<sup>2</sup> - (R-squared):** A statistic that indicates how much of a fund's fluctuations were attributable to movements in the fund's benchmark index. **Sharpe Ratio:** Measures the potential reward offered by a mutual fund relative to its risk level using the fund's standard deviation and its excess return to determine reward per unit of risk. The higher the sharpe ratio, the better the fund's historical risk-adjusted performance. **Standard Deviation:** Defines how widely returns varied from an average over a given period of time. A higher standard deviation means a more volatile fund. For example, a fund with a standard deviation of 6 and an average annual return of 10% saw annualized monthly returns fall within 6 percentage points of that average (or between 4% and 16%) two-thirds of the time.

Source: FactSet Research Systems, Inc.

American Century Investment Services, Inc., Distributor

©2023 American Century Proprietary Holdings, Inc. All rights reserved.