

Innovator Hedged Tesla Strategy ETF (TSLH)

Ticker	TSLH
Listing Date	July 26, 2022
Quarterly Floor Level	10%
Starting Quarterly Cap	9.29%
Annual Expense Ratio	0.79%
Exchange	Cboe BZX

INVESTMENT OBJECTIVE

The Innovator Hedged TSLA Strategy ETF seeks to offer exposure to the price appreciation of TSLA (Tesla Inc.), to a cap, with a max loss each quarter of 10% before expenses.

There is no guarantee the Fund will be successful in implementing this strategy. The Fund does not invest directly in TSLA. Investors purchasing shares after an outcome period has begun may experience very different results than funds' investment objective. Outcome periods are approximately 3-month periods beginning on the funds' inception date. After the conclusion of an outcome period, the portfolio will rebalance, another will begin.

WHY TSLH?

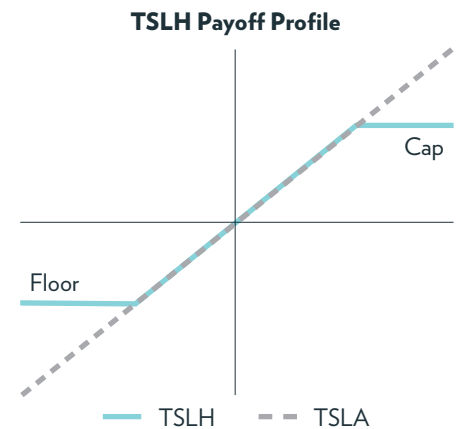
Seek to reduce TSLA risk with TSHL

Growth Potential
Establish or add to a high growth-potential position

Protection
Seek to limit losses with built-in risk management

Simplicity
Access the strategy with the convenience and efficiency of an ETF

- » TSLH seeks to limit quarterly losses to 10% by holding approximately 90% of its portfolio value in short-term U.S. Treasury bills and the remainder in TSLA options.
- » This is important because growth stocks like TSLA are susceptible to dramatic price swings in relatively short periods.
- » As indicated in the table below, relative to the S&P 500, TSLA has made swift and significant moves in both directions.



Amidst TSLA's significant price increases, nearly 60% of its 3-month losses were greater than 10%:

6/30/10 - 6/30/22		Return Profiles				Volatility	Max Drawdown
		1-Day	5-Day	21-Day	63-Day		
TSLA	Max	24%	56%	115%	220%	57%	-61%
	Average	0%	1%	5%	17%		
	MIN	-21%	-43%	-58%	-41%		
	% of losses > 10%	2%	14%	41%	57%		
S&P 500	Max	9%	17%	25%	39%	17%	-34%
	Average	0%	0%	1%	3%		
	Min	-12%	-18%	-33%	-30%		
	% of losses > 10%	0%	1%	5%	17%		

Source: Bloomberg LP, as of 6/30/2022. Past performance is no guarantee of future results.

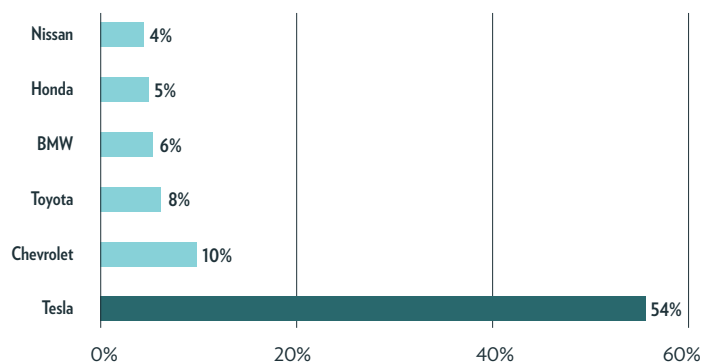
The fund is a unique investment product and may not be suitable for all investors. For more information regarding whether an investment in the Fund is right for you, please see "Investor Suitability" in the prospectus.

WHY A CAP AND FLOOR APPROACH?

The upside potential of TSLA remains high, but not without risks to the downside:

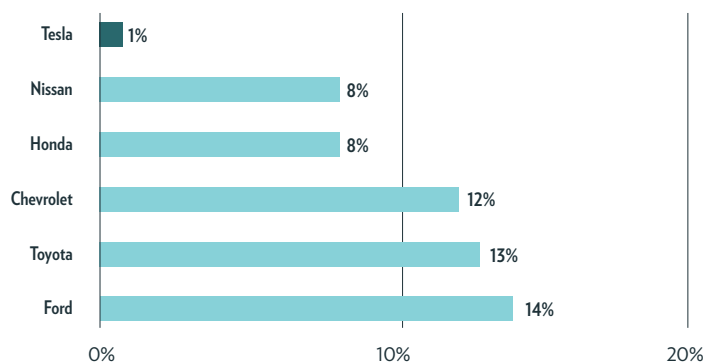
Tesla dominates EV sales in the U.S....

2021 Percentage of Total U.S. Electric Vehicle Sales by Brand



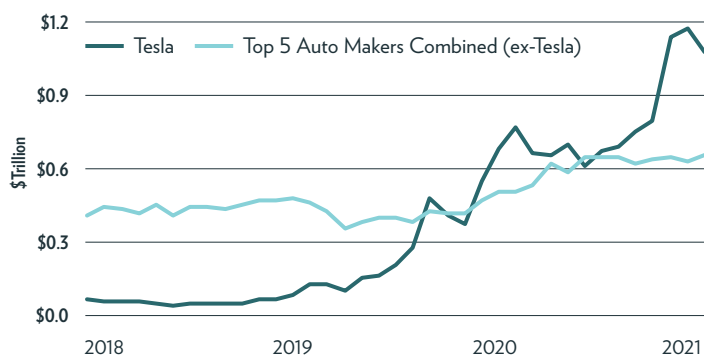
...but still has a small share of total vehicles sales.

2021 Percentage of Total U.S. Vehicle Sales by Brand



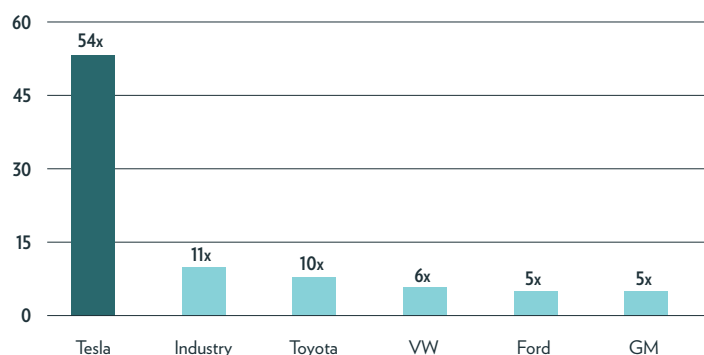
Tesla's market cap is nearly double the combined market cap of the next five largest automakers...

Market Cap (\$T)



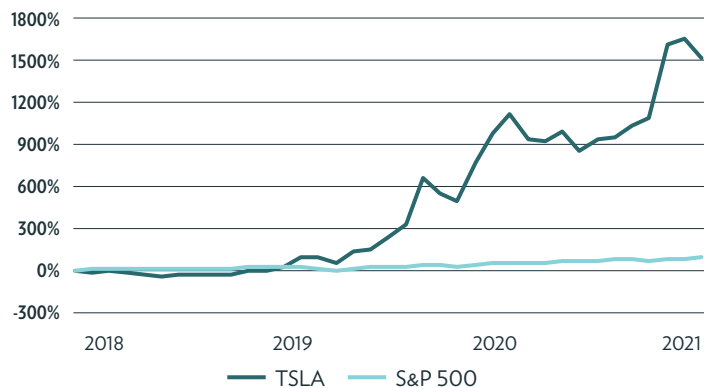
...but the price of Tesla's earnings is five times the industry average.

Forward P/E



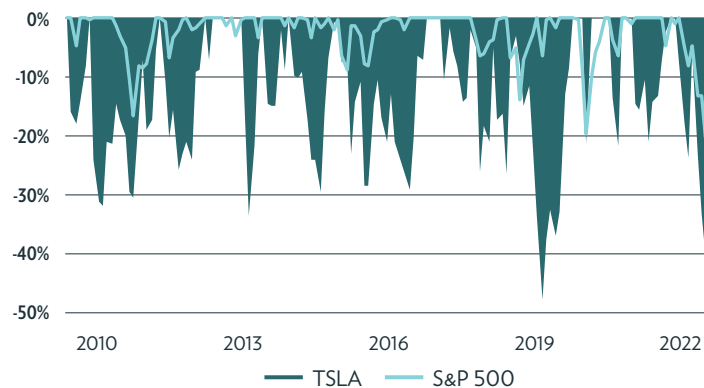
Over the last three calendar years, Tesla's share price climbed 15 times as much as the S&P 500...

Cumulative Share Price Change



...but it has also been much more volatile and has experienced deeper and more frequent drawdowns.

Rolling Max Drawdowns



Source for vehicle sales data: <https://evadoption.com/ev-sales/evs-percent-of-vehicle-sales-by-brand/>

All data sourced from Bloomberg as of 6/30/22 unless otherwise noted. Past performance is no guarantee of future results.

Max drawdown is the maximum observed loss from a portfolio's peak value to its trough, before a new peak value is attained.

Volatility is a measure of the dispersion of returns around the average.

P/E ratio is the ratio of a stock's price to its earnings.

Investing involves risks. Loss of principal is possible. The Fund faces numerous market trading risks, including active markets risk, authorized participation concentration risk, buffered loss risk, cap change risk, capped upside return risk, correlation risk, liquidity risk, management risk, market maker risk, market risk, non-diversification risk, operation risk, options risk, trading issues risk, upside participation risk and valuation risk. For a detail list of fund risks see the prospectus.

The Sub-Adviser intends to pursue the Fund's investment objective through the combination of investments in a Treasury Portfolio and an Options Portfolio comprised of FLEXible EXchange® Options ("FLEX Options") that reference TSLA with approximately three-month expiration dates. An option contract gives the purchaser of the option, in exchange for the premium paid, the right to purchase (for a call option) or sell (for a put option) the underlying asset at a specified price (the "strike price") on a specified date (the "expiration date"). There is no guarantee that the value of the Fund's U.S. Treasury Bills will remain constant, and the value of the U.S. Treasury Bills could decrease.

FLEX Options Risk. The Fund will utilize FLEX Options issued and guaranteed for settlement by the Options Clearing Corporation (OCC). In the unlikely event that the OCC becomes insolvent or is otherwise unable to meet its settlement obligations, the Fund could suffer significant losses. Additionally, FLEX Options may be less liquid than standard options. In a less liquid market for the FLEX Options, the Fund may have difficulty closing out certain FLEX Options positions at desired times and prices. The values of FLEX Options do not increase or decrease at the same rate as the reference asset and may vary due to factors other than the price of reference asset.

Hedged TSLA Strategy Risk. There is no guarantee that the Fund will be successful in its strategy to provide protection against TSLA losses. The Fund does not provide principal protection or non-principal protection, and **an investor may experience significant losses on its investment, including the loss of its entire investment.** In order to provide the upside exposure to the price return of TSLA, the Fund's strategy is subject to maximum gains equal to the strike price of the Fund's sold call options. In the event an investor purchases Shares after the date on which the Fund implements the call spread strategy and the TSLA share price has risen in value to a level near the strike price, there may be little or no ability for such investor to experience an investment gain in Fund Shares until the Fund's Options Portfolio is rebalanced. An investor may also realize different returns than TSLA if such investor does not stay invested in the Fund for the entirety of the three-month period of the Fund's options contracts. Finally, an

investor may also receive less than the sought-after protection if the Treasury Portfolio loses value.

TSLA Trading Risk. The trading price of TSLA has been highly volatile and could continue to be subject to wide fluctuations in response to various factors. The stock market in general, and the market for technology companies in particular, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies.

Tesla Risk: The future growth and success of Tesla, Inc. are dependent upon consumers' demand for electric vehicles, and specifically, its vehicles in an automotive industry that is generally competitive, cyclical and volatile. If the market for electric vehicles in general and Tesla, Inc. vehicles does not develop as Tesla, Inc. expects, develops more slowly than it expects, or if demand for its vehicles decreases in our markets or our vehicles compete with each other, the business, prospects, financial condition and operating results of Tesla, Inc. may be harmed. Tesla, Inc. may fail to meet its publicly announced guidelines or other expectations about its business, which could cause the price of TSLA to decline significantly.

Automotive Companies Risk. The automotive industry can be highly cyclical, and companies in the industry may suffer periodic operating losses. Automotive companies can be significantly affected by labor relations, fluctuating component prices and supplier disruptions.

The 10% floor for a particular outcome period is gross of fees and other expenses and an investor may experience a loss greater than that amount.

Tesla, Inc. is not affiliated with the Trust, Innovator, Milliman or its respective affiliates and is not involved with this offering in any way, and has no obligation to consider your Shares in taking any corporate actions that might affect the value of Shares. Innovator has not made any due diligence inquiry with respect to the publicly available information of Tesla, Inc. in connection with this offering. Investors in the Shares will not have voting rights or rights to receive dividends or other distributions or any other rights with respect to the underlying stock.

The Fund's investment objectives, risks, charges and expenses should be considered before investing. The prospectus contains this and other important information, and it may be obtained at innovatoretfs.com. Read it carefully before investing.

Innovator ETFs are distributed by Foreside Fund Services, LLC.

Copyright © 2022 Innovator Capital Management, LLC | 800.208.5212