

# QUARTERLY BUFFER ETFs

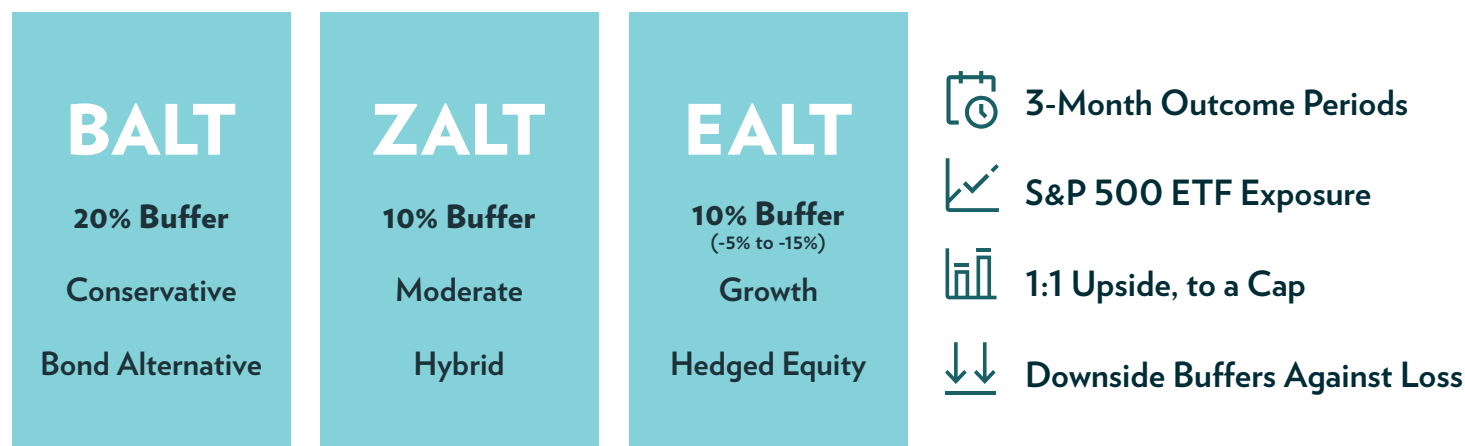
## Investor Guide

The industry's largest series of three-month Buffer ETFs, and the only downside buffers ranging from -5% to -15%, 0 to -10%, and 0 to -20%.



## WHAT ARE QUARTERLY BUFFER ETFs?

Quarterly Buffer ETFs are a series of funds that provide exposure to the SPDR S&P 500 ETF Trust (SPY) with upside caps and downside buffers to prevent against losses. The series consists of three funds, each with a distinct risk and return profile:



## WHY QUARTERLY BUFFER ETFs?

**Transparent Defined Outcome investing** – know exactly what your cap and buffer are every three months.

**Easy implementation** via a single ticker that provides a constant downside hedge which adapts to the current market environment.

**Three unique buffer levels** that span the risk spectrum and address distinct needs in the portfolio.

## HOW DO THEY WORK?

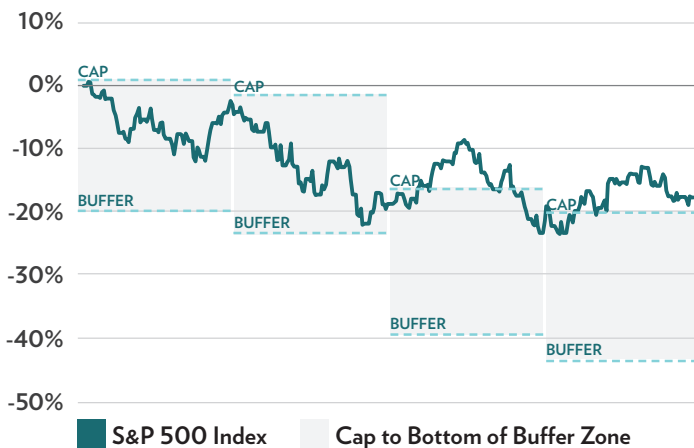




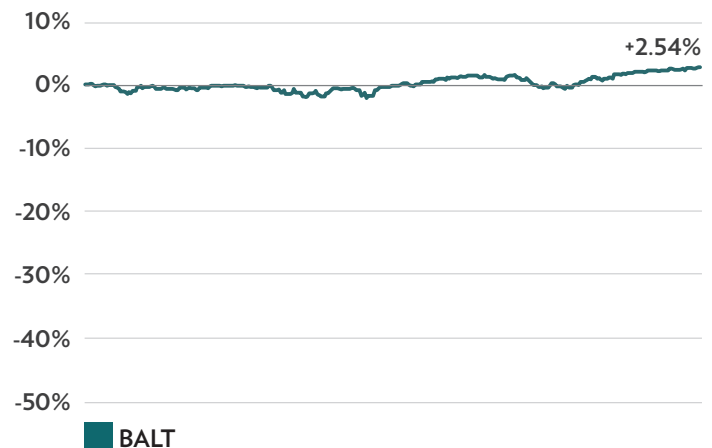
## THE CASE FOR QUARTERLY BUFFER ETF INVESTING

With quarterly buffer ETFs, the upside cap and downside buffer are constantly adapting to the market. As you can see in the example below, the buffer continues to protect at lower and lower levels as the market moves down.

### S&P 500 PERFORMANCE IN 2022



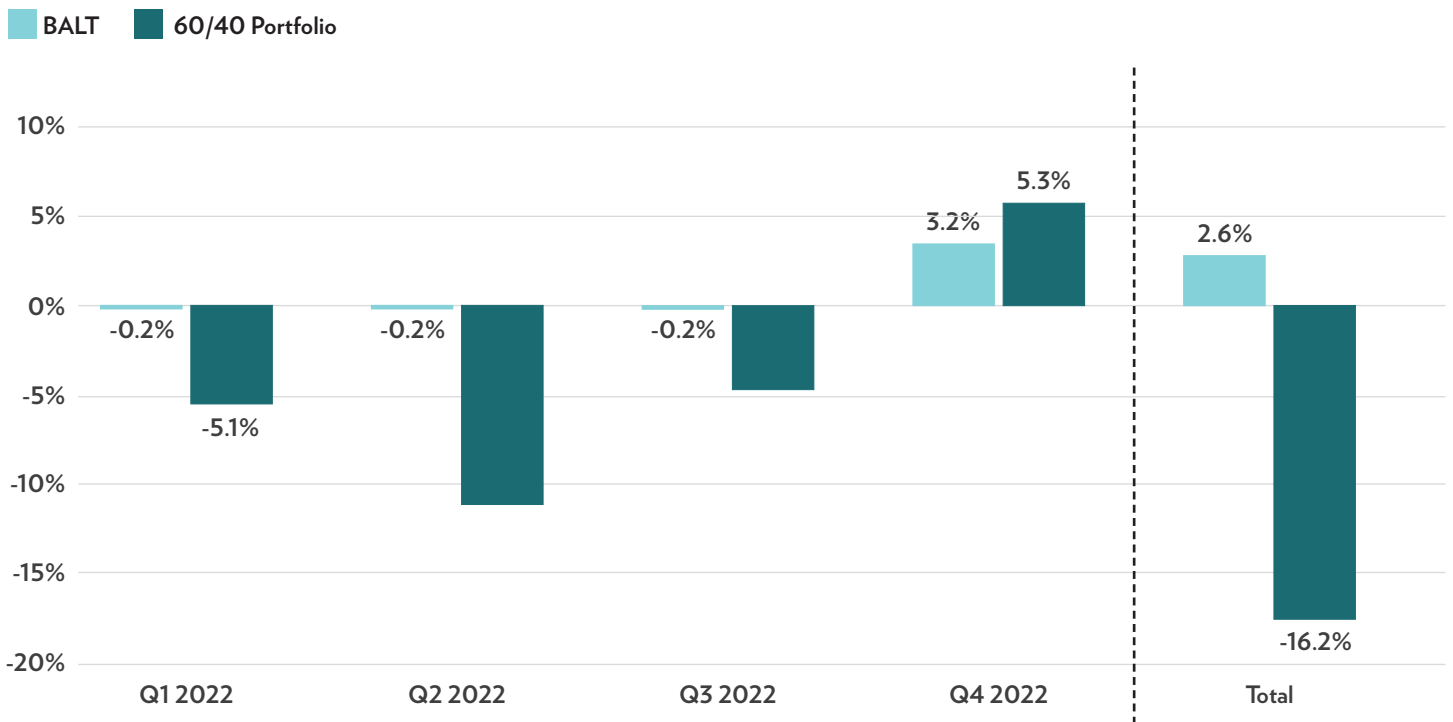
### HOW BALT PERFORMED



Source: Bloomberg, data from 12/31/2021 to 12/31/2022.

Buffer ETFs with a quarterly reset provide a constant downside hedge that adapts to the market over time. The ETFs are engineered to be a potential alternative to traditional risk management strategies, such as the 60/40 portfolio:

### BALT VERSUS THE 60/40 PORTFOLIO IN 2022



Source: Bloomberg, data from 12/31/2021 to 12/31/2022. The 60/40 Portfolio consists of a 60% allocation to the S&P 500 Index and a 40% allocation to the Bloomberg US Aggregate Bond Index.



## STANDARDIZED PERFORMANCE

	1yr	3yr	Since Inception
EALT NAV	-	-	-
EALT Market Price	-	-	-
ZALT NAV	-	-	-
ZALT Market Price	-	-	-
BALT NAV	8.01%	-	3.59%
BALT Market Price	7.79%	-	3.57%

Source: Bloomberg, data as of 9/30/2023. BALT inception on 6/30/2021. EALT and ZALT inception on 10/2/2023. The expense ratio for BALT, EALT and ZALT is 0.69%. Performance quoted represents past performance, which is no guarantee of future results. Investment returns and principal value will fluctuate, so you may have a gain or a loss when shares are sold. Current performance may be higher or lower than that quoted. Visit [innovatoretf.com/define](https://innovatoretf.com/define) for current month-end performance.

**The funds have characteristics unlike many other traditional investment products 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. Investing involves risks. Loss of principal is possible.**

The Funds face 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.

**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.

BALT is designed to provide point-to-point exposure to the price return of the reference asset via a basket of Flex Options. As a result, the ETFs are not expected to move directly in line with the reference asset during the interim period.

Investors purchasing shares after an outcome period has begun may experience very different results than funds’ investment objective. Initial outcome periods are approximately 1-year beginning on the funds’ inception date. Following the initial outcome period, each subsequent outcome period will begin on the first day of the month the fund was inception. After the conclusion of an outcome period, another will begin.

Fund shareholders are subject to an upside return cap (the “Cap”) that represents the maximum percentage return an investor can achieve from an investment in the funds’ for the Outcome Period, before fees and expenses. If the Outcome Period has begun and the Fund has increased in value to a level near to the Cap, an investor purchasing at that price has little or no ability to achieve gains but remains vulnerable to downside risks. Additionally, the Cap may rise or fall from one Outcome Period to the next. The Cap, and the Fund’s position relative to it, should be considered before investing in the Fund. The Funds’ website, [www.innovatoretf.com](https://www.innovatoretf.com), provides important Fund information as well information relating to the potential outcomes of an investment in a Fund on a daily basis. The Fund only seeks to provide shareholders that hold shares for the entire Outcome Period with their respective buffer level against reference asset losses during the Outcome Period. You will bear all reference asset losses exceeding the buffer. Depending upon market conditions at the time of purchase, a shareholder that purchases shares after the Outcome Period has begun may also lose their entire investment. For instance, if the Outcome Period has begun and the Fund has decreased in value beyond the pre-determined buffer, an investor purchasing shares at that price may not benefit from the buffer. Similarly, if the Outcome Period has begun and the Fund has increased in value, an investor purchasing shares at that price may not benefit from the buffer until the Fund’s value has decreased to its value at the commencement of the Outcome Period.

*The Funds’ investment objectives, risks, charges and expenses should be carefully considered before investing. The prospectus contains this and other important information, and it may be obtained at [innovatoretf.com](https://innovatoretf.com). Read it carefully before investing.*

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