

DEFINED INCOME ETFs[™]

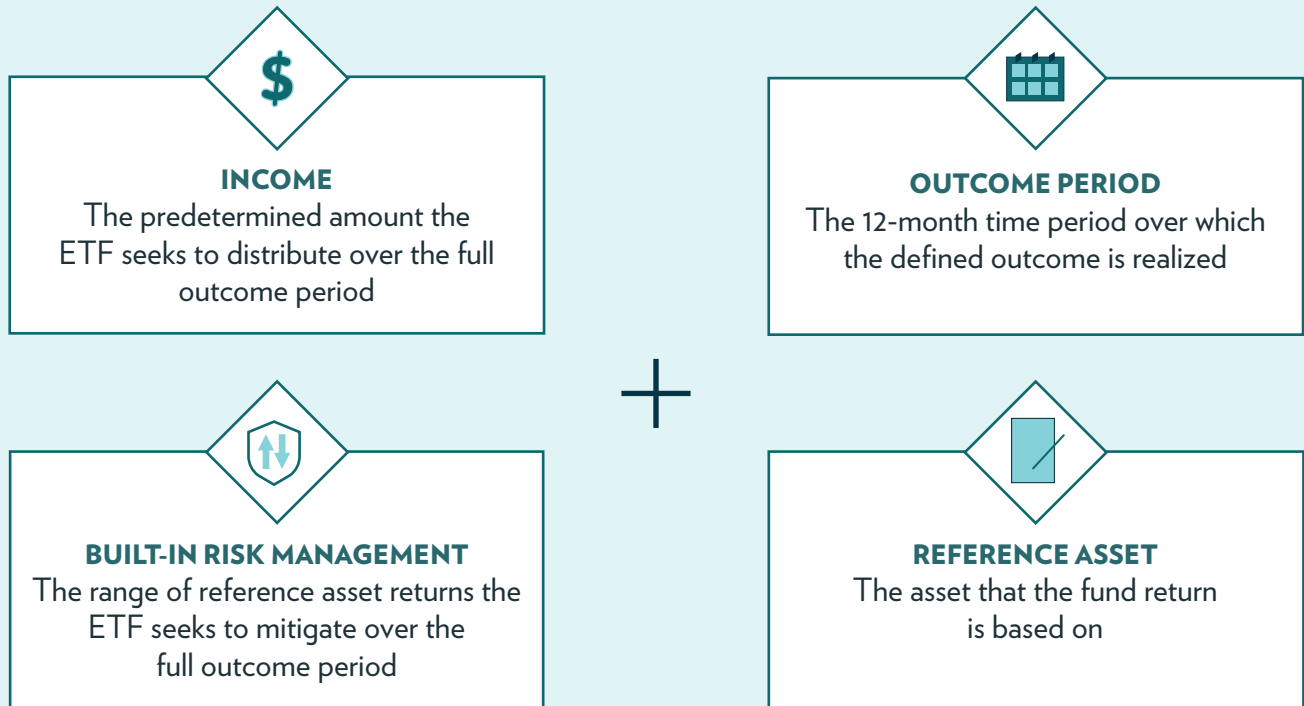
Investor Guide



WHAT ARE DEFINED INCOME ETFs?

The Innovator Defined Income ETFs™ are designed to provide a high level of income and built-in risk management.

THE BUILDING BLOCKS OF DEFINED INCOME ETFs™:



INNOVATOR DEFINED INCOME ETFs™

Innovator offers the industry's first and largest suite of Defined Income ETFs™, spanning a range of income, barrier, and buffer levels. Visit innovatoretfs.com/define to see our full list of Defined Outcome ETFs™.

Reference Asset	Barrier	Buffer	Outcome Period	Risk Management / Income Reset		
S&P 500	10%	9%	12 Months	JAN	APR	
	20%					
	30%	15%		JUL	OCT	
	40%					



DEFINED INCOME ETFs ARE DESIGNED TO:



PROVIDE DOWNSIDE RISK MANAGEMENT

against losses with a built-in barrier or buffer.



DISTRIBUTE INCOME

based on the Defined Distribution Rate at the start of the outcome period.



CREATE NEW INCOME RATE AND RESET DOWNSIDE RISK MANAGEMENT

at the end of each outcome period.



OFFER AN INCOME STRATEGY

that can help diversify an existing income allocation.

BARRIER AND BUFFER: WHAT'S THE DIFFERENCE?

Here are two hypothetical examples of the reference asset finishing both below and above the barrier or buffer level to illustrate the difference. For an apples-to-apples comparison, we assume a 10% barrier, a 10% buffer and a 10% distribution rate.

SCENARIO 1:

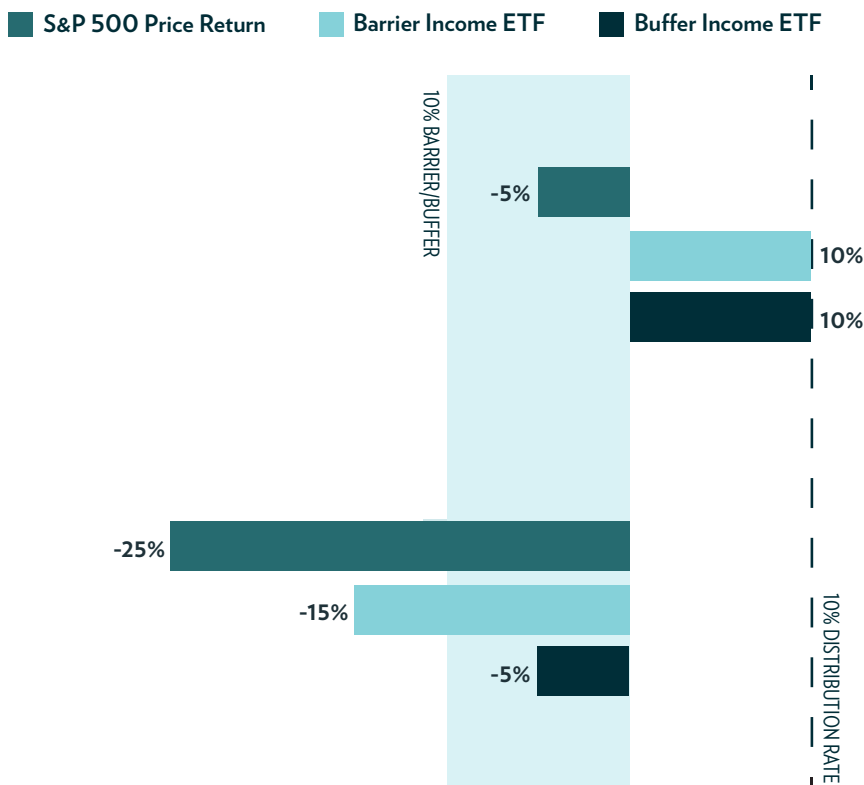
S&P 500 finishes inside the barrier or buffer:

Scenario Recap	Price Return	Income Return	Total Return
S&P 500	-5%	0%	-5%
Barrier ETF™	0%	10%	10%
Buffer ETF™	0%	10%	10%

SCENARIO 2:

S&P 500 finishes below the barrier or buffer:

Scenario Recap	Price Return	Income Return	Total Return
S&P 500	-25%	0%	-25%
Barrier ETF™	-25%	10%	-15%
Buffer ETF™	-15%	10%	-5%



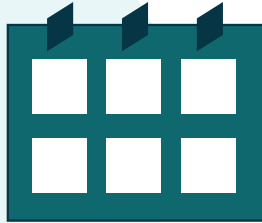
The hypothetical graphical illustration provided above is designed to illustrate the Outcomes based upon the hypothetical performances of the Underlying ETFs for a shareholder that holds Fund Shares for the entirety of the Outcome Period. There is no guarantee that the Fund will be successful in its attempt to provide the Outcomes for an Outcome Period. The graph does not represent all market scenarios. The returns that the Fund seeks to provide do not include the costs associated with purchasing shares of the Fund and certain expenses incurred by the Fund.



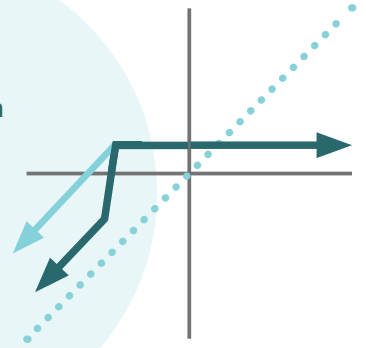
WHY DEFINED INCOME ETFs™?

Defined Income ETFs™ are designed to:

Be a stable source of high income, distributed on a regular basis.



Offer a diversification benefit via their potential for positive total returns in flat or down markets.



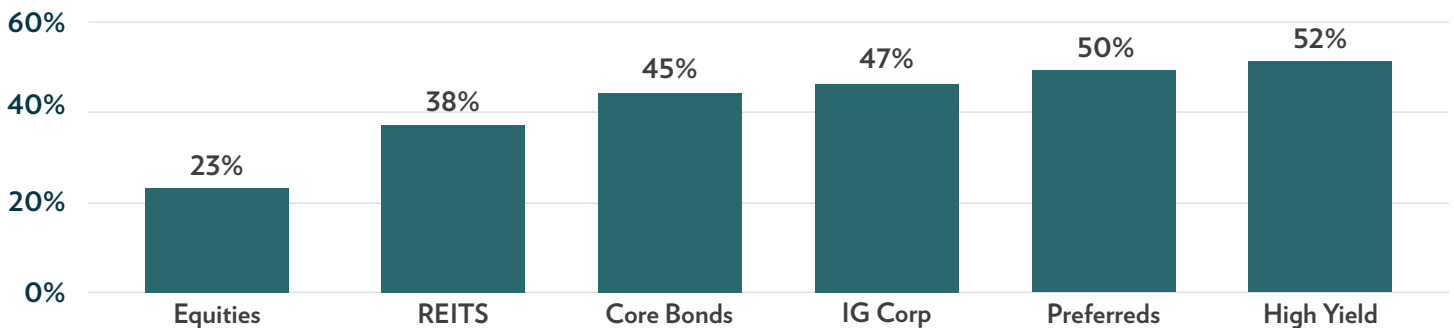
POTENTIAL BENEFITS

Price Return vs. Income Return

One of the appeals of income investing is its potential to generate returns without relying on price movements. This is one reason income investments are often viewed to be on the safer, more conservative end of the investment spectrum.

What can easily get overlooked, however, is that negative price returns for income-focused investments are not uncommon:

PERCENTAGE OF 12-MONTH PRICE RETURNS THAT WERE NEGATIVE: 1990 - 2023



Source: Bloomberg, as of 9/30/2023. See the back page for index descriptions.

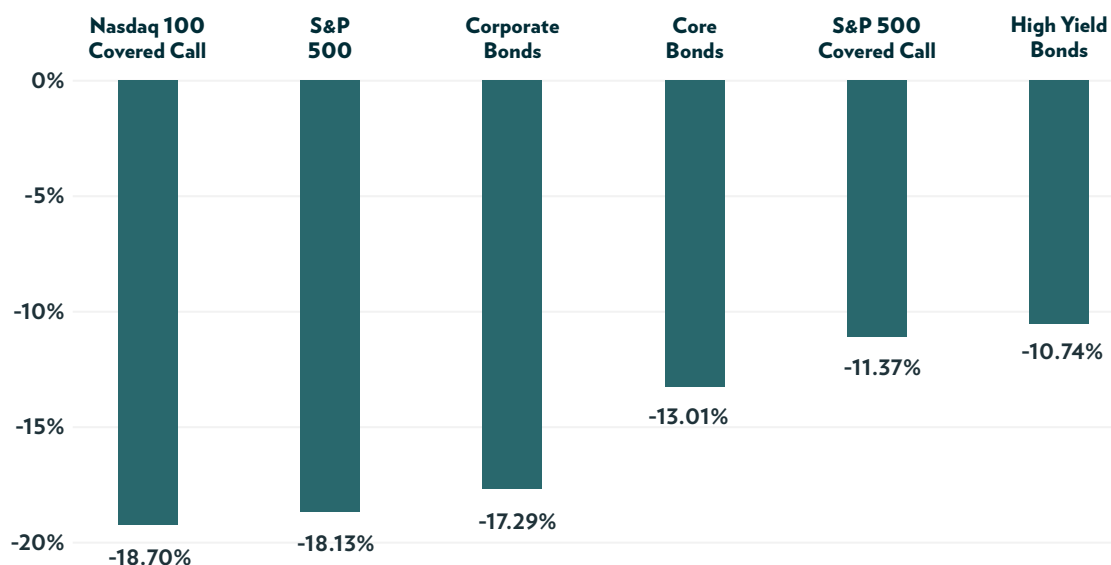
Defined Income ETFs™ are designed for their NAV to be unchanged if the S&P 500 is above the ETF's barrier or buffer level at the end of the outcome period.



HOW EFFECTIVE IS A BARRIER?

At the end of the outcome period, so long as the S&P 500 Index is above the barrier, the NAV of the ETF is designed to finish the period at the same level that it began the period.

CASE STUDY: 2022 RETURNS



Defined Income ETFs can be a powerful diversifier in an income portfolio.

88%
Percent of rolling 12-month periods that the market has finished above -10%, over the last 70 years.

Past performance is not indicative of future results. Source: Bloomberg, data from 12/31/2021 – 12/31/2022. Nasdaq 100 Covered Call is represented by the Cboe Nasdaq-100 BuyWrite V2 index, Corporate Bonds by the iBoxx USD Liquid Investment Grade Index TR Index, Core Bonds by the Bloomberg US Agg Total Return Index, S&P 500 Covered Call by the Cboe S&P 500 BuyWrite Index and High Yield by the iBoxx USD Liquid High Yield TR Index.

HOW DO DEFINED INCOME ETFs™ GENERATE INCOME?

The Defined Income ETFs™ seek to generate high rates of income through a combination of option premium and U.S. Treasury bills:



The final distribution of each outcome period is made on the same day that the ETF resets its distribution rate and barrier or buffer.



WHO USES INNOVATOR DEFINED INCOME ETFs™ AND HOW DO THEY USE THEM?

Every investor has their own specific investment objectives and risk tolerance. Innovator Defined Income ETFs can be used in a variety of ways to meet a range of investment goals:



Retiree

Investors who are in retirement and relying on their investments as a source of income can potentially achieve lower portfolio volatility by diversifying their income investments.

Diversifier

By seeking to capture some of the market's potential upside before it's realized, Defined Income ETFs™ may offer investors a way to diversify and reduce the volatility of their equity exposure.



Opportunistic Investor

The income that Defined Income ETFs™ seek to distribute, combined with the dynamics of the underlying equity and options markets, may create intra-period opportunities for investors to earn higher rates of income.



ADDING DEFINED INCOME ETFs™ TO A PORTFOLIO

Here are three potential ways that investors can add Defined Income ETFs™ to their portfolios to achieve specific objectives:

High Dividend Stock Complement

Certain stocks pay high dividends, but subject investors to equity market downside.

- 10% Barrier Income
- 9% Buffer Income

Covered Call Alternative

Covered call strategies pursue premium income but, take on the full downside of an equity index.

- 20% Barrier Income
- 15% Buffer Income

Alternative Bond Allocation

Bonds carry interest rate and credit risk, and are susceptible to price losses prior to their maturity.

- 30% Barrier Income
- 40% Barrier Income



Check out our portfolio builder tool to learn more about adding Defined Income ETFs™ to your portfolio.

[INNOVATORRESEARCH.COM](https://www.innovatorresearch.com)



Unlike other funds that utilize defined outcome investment strategies, the Funds do not provide a buffer against all underlying ETF losses or a floor that provides a maximum amount of underlying ETF losses, which could cause loss of the entire investment prior to consideration of any defined distribution payments.

The Outcomes may only be realized by investors who continuously hold Shares from the commencement of the Outcome Period until its conclusion. Investors who purchase Shares after the Outcome Period has begun or sell Shares prior to the Outcome Period's conclusion may experience investment returns very different from those that the Fund seeks to provide.

Index descriptions: Core bonds are measured by the ICE BofA US Broad Market, which measures the US investment grade bond market; IG bonds are measured by the ICE BofA US Corporate Index, which measures the US investment grade corporate bond market; High yield bonds are measured by the ICE BofA US High Yield Index, which measures the US sub-investment grade corporate bond market; Preferreds are measured by the ICE BofA Fixed Rate Preferred Securities Index, which measures the fixed-rate USD denominated preferred securities market; equities are measured by the S&P 500, which measures the large-cap US stock market; REITs are measured by the S&P USA REIT Index, which measures the investable universe of publicly traded US REITs.

There are material differences between traditional fixed income asset classes and the Innovator Barrier ETFs, which seek to provide a high level of income. The NAVs of Barrier ETFs are tied to the underlying options on the S&P 500, a broad-based measure of the large cap U.S. equity market. The value of fixed income products is tied to the value of the fixed income instruments the products hold. Within a corporate capital structure, equity is generally subordinate to fixed income assets and, as such, carries a higher level of risk than fixed income assets.

Investment Objective: The Funds seek to provide investors, over a 1-year outcome period, with an investment that provides a high level of income through a Defined Distribution Rate and that is not subject to any losses experienced by the U.S. Equity Index (the S&P 500) that are at or below a the respective Barrier (10, 20, 30, 40) and is subject to initial losses experienced by the U.S. Equity Index beginning at the Barrier and to the full extent of U.S. Equity Index losses on a one-to-one basis beginning after the barrier threshold has been crossed.

Over each Outcome Period, shareholders will also be subject to U.S. Equity Index losses that are based upon an investment "barrier," which is an investment strategy whereby a payoff depends on whether an underlying asset has breached a predetermined performance level. The Funds seek to provide a pre-determined barrier at respectively 10, 20, 30, or 40% of U.S. Equity Index losses for each Outcome Period (the "Barrier") by selling FLEX Options that reference the U.S. Equity Index for each Outcome Period (the "Barrier Options"). At the commencement of the new Outcome Period, the Fund will sell new Barrier Options with an expiration date of approximately one year and invest in U.S. Treasuries with a maturity date that aligns with the expiration of the new Outcome Period. There is no guarantee that the Funds will be successful in their attempt to implement the Barriers.

Fund shareholders also will be subject to all losses experienced by the U.S. Equity Index if the U.S. Equity Index experiences losses that exceed the Barrier at the end of the Outcome Period. If at the end of the Outcome Period the U.S. Equity Index has experienced a positive price return, or price return losses that are less than the Barrier, the Funds are designed to provide returns that equal the Distribution Rate. However, if the U.S. Equity Index has decreased in value below the Barrier at the end of the Outcome Period, the Funds' investments will generate Outcomes that equal the Distribution Rate less the entirety of the U.S. Equity Index's losses over the course of the Outcome Period. The Funds will not benefit from any increases in the U.S. Equity Index over the course of an Outcome Period but are subject to the possibility of significant losses experienced by the U.S. Equity

Index if the value of the U.S. Equity Index drops below the Barrier at the end of the Outcome Period. The Funds will not receive or benefit from any dividend payments made by the constituents of the U.S. Equity Index.

A shareholder may lose its entire investment. In the event an investor purchases Shares after the commencement of the Outcome Period or sells Shares prior to the expiration of the Outcome Period, the Barrier that the Fund seeks to provide may not be available. In addition, the operability of the Barrier is such that the Fund may experience dramatic changes in value of its NAV at the end of the Outcome Period, even if the changes in the U.S. Equity Index are minimal. If the U.S. Equity Index's value is at or near the Barrier at the end of the Outcome Period, small changes in the value of the U.S. Equity Index could result in dramatic changes in the value of the Barrier Options and therefore the Fund's NAV. Investors should understand these risks before investing in the Fund.

The Funds' website, 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 Funds use their net assets (including the premiums received by selling Barrier Options) to purchase U.S. Treasuries that expire at the end of the Outcome Period. The U.S. Treasuries are entitled to an interest rate, which when added to the premiums received for selling Barrier Options, produce the Distribution Rate. The Distribution Rate is distributed to shareholders in Fund Distributions. The amount of the Fund distributions is dependent, in part, upon the income received from the U.S. Treasuries, which is not guaranteed. If the U.S. Treasuries fail to pay income or pay less income than anticipated, the Distribution Rate will not be obtained, and a Fund Distribution will be less than anticipated.

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.

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. Read it carefully before investing.

Innovator ETFs are distributed by Foreside Fund Services, LLC.

Copyright © 2024 Innovator Capital Management, LLC | 800.208.5212