

# Innovator Laddered Floor ETFs<sup>™</sup>

## SFLR

EQUITY MANAGED FLOOR ETF<sup>™</sup>

Listing Date: 11/9/2022

## QFLR

NASDAQ-100 MANAGED FLOOR ETF<sup>™</sup>

Listing Date: 1/25/2024

Strategy	Laddered Floor ETFs <sup>™</sup>
Expense Ratio	0.89%
Exchange	NYSE Arca
Subadvisor	Parametric




## INVESTMENT STRATEGY

The Innovator Laddered Floor ETFs are designed to pursue capital appreciation while mitigating market volatility and hedging against deep market drawdowns.

## WHY LADDERED FLOOR ETFS?

- » Core equity exposure with a disciplined options overlay by Parametric
- » Designed to track large-cap U.S. equities with reduced volatility
- » Engineered to limit losses in large market drawdowns

## PORTFOLIO APPLICATION

 <p>Long-term, strategic core equity</p>	 <p>Low-volatility strategy</p>	 <p>Hedge against deep drawdowns</p>
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## ABOUT PARAMETRIC



Founded in 1987, Parametric Portfolio Associates<sup>®</sup> LLC (“Parametric”), is one of the world’s foremost risk managers, providing systematic portfolio management services and investment solutions for institutional and individual investors. Parametric’s team of 191 financial professionals currently service more than \$475.1B global assets under management as of 12/31/2023.

## HOW LADDERED FLOOR ETFS WORK

	EQUITIES	+	LADDERED PUT OPTIONS	+	CALL OPTIONS	=	INNOVATOR LADDERED FLOOR ETFS
<b>SFLR</b>	Exposure to large-cap U.S. Equities		8% to 12% target annual max loss		Cover the cost of downside hedge, with potential for additional option income.		70% to 80% of upside participation of an equity index, with two-thirds the volatility and tail-risk protection.
<b>QFLR</b>	Exposure to the Nasdaq-100 Index		7% to 15% target annual max loss				



### BUILT FOR ANY MARKET ENVIRONMENT



#### Bull Market

- Protect 90% of assets without fear of getting “left behind”
- Approximately 70% upside capture



#### Choppy, Positive Market

- Smooth out returns
- Potential for higher upside capture
- Approximately 50 to 60% risk reduction

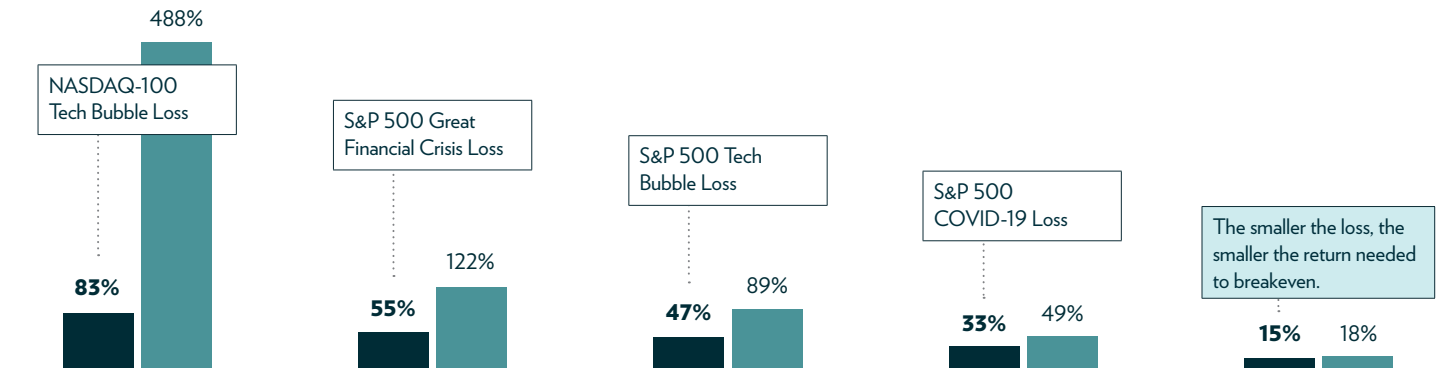


#### Market Crashes

- Potential to outperform the market by capping max losses
- Reduce the return and time needed need to breakeven after a loss

### THE CASE FOR LADDERED FLOORS

■ Loss ■ Return Needed to Breakeven



Source: Bloomberg, L.P. Tech Bubble drawdown began on 9/1/2000 and ended on 10/9/2002. Great Financial Crisis drawdown began on 10/8/2007 to 3/9/2009. COVID-19 drawdown began on 2/19/2020 and ended on 3/23/2020.

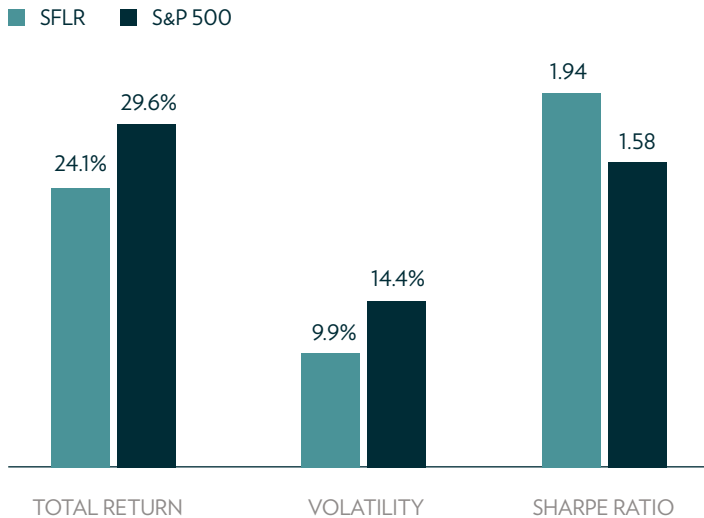
### ROLLING 12-MONTH RETURNS VS S&P 500

Rolling 12-Months Ending	S&P 500	SFLR	Capture
12/1/23	13.8%	12.0%	87%
1/1/24	26.3%	21.1%	80%
2/1/24	20.8%	17.5%	84%
3/1/24	30.5%	24.7%	81%
4/1/24	29.9%	24.6%	82%

Source: Bloomberg, L.P. Data from 12/1/2022 to 4/1/2024.



**SFLR AND S&P 500 SINCE SFLR INCEPTION**



Source: Bloomberg, LP, as of 3/31/2024. SFLR was inceptioned on 11/8/2022. Total Return based on NAV.

**IMPORTANT RISK INFORMATION**

	YTD	1 Year	Inception
SFLR NAV	9.42%	24.56%	22.61%
SFLR Market Price	9.91%	25.18%	23.02%
QFLR NAV	-	-	4.12%
QFLR Market Price	-	-	4.30%

As of 3/31/2024. 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 loss when shares are sold. Current performance may be higher or lower than that quoted.

The S&P 500 Index is a broad measure of U.S. large cap stocks. Volatility is a statistical measure of the dispersion of returns for a particular asset or index. Sharpe Ratio is a risk-adjusted measure calculated using standard deviation. The Fund seeks to provide risk-managed investment exposure to the U.S. Large Capitalization Companies represented by the Index through its hedging strategy. There is no guarantee that the Fund will be successful in implementing its strategy to provide a hedge against overall market exposure. The fund seeks to achieve its investment objective by purchasing a series of four, one-year Flex Options packages with “laddered” expiration dates that are 3 months apart. The Fund will also systemically sell short-dated call option contracts, which have an expiration date of approximately two weeks, with an objective of generating incremental returns above and beyond the premium outlay of the protective put option contracts. The Fund does not provide principal protection or non-principal protection, and an investor may experience significant losses on its investment. In a market environment where the Index is generally appreciating, the Fund may underperform the Index and/or similarly situated funds.

Investing involves risks. Loss of principal is possible.

The Sub-Adviser will seek to “ladder” the Fund’s option contracts by entering into new purchased put option contracts packages every three-months. After such put option contracts expire, the Fund will enter into new put option contracts with one-year expiration dates that are staggered every three months.

As a result of the Fund’s laddered investment approach, on an ongoing basis the Fund will experience investment floors that are expected to be greater or less than the 10% floor provided by an individual Options Portfolio.

Because the Fund ladders its option contracts and the Fund’s put option contracts will have different terms (including expiration dates), different tranches of put option contracts may produce different returns, the effect of which may be to reduce the Fund’s sought-after protection. Therefore, at any given moment the Fund may not receive the benefit of the sought-after protection on losses that could be available from Options Portfolio with a single expiration date.

**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 considered carefully before investing. The prospectus and summary prospectus contains this and other important information, and it may be obtained at [innovatoretf.com](http://innovatoretf.com). Read it carefully before investing.**

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