

Trading Innovator Defined Outcome ETFs™

Innovator Defined Outcome ETFs™ invest in the deepest, most liquid markets in the world.

The deep liquidity profile underlying Innovator's Defined Outcome ETFs™ allows investors to trade these ETFs in large sizes at competitive prices. It is critical to remember that the liquidity of an ETF is driven by the underlying basket liquidity, not the ETF's volume.

The underlying FLEX option positions held by the Innovator ETFs have full price transparency and are cleared/guaranteed for settlement by the Options Clearing Corporation (OCC), reducing counterparty risk relative to legacy instruments like structured products.

These ETFs have characteristics unlike many other traditional investment products and may not be suitable for all investors.

INNOVATOR DEFINED OUTCOME ETFs™	OPTION	OPEN INTEREST	AVE. DAILY NOTIONAL TRADED
U.S. Equity	SPY	\$1.1T	\$ 432B
Emerging Markets	EEM	\$39B	\$820B
International Developed	EFA	\$20B	\$542B
U.S. Small Cap	IWM	\$273B	\$27B
Growth-100	QQQ	\$500B	\$161B

Source: Bloomberg L.P.; Open Interest: 5/13/2024; ADV: 20-Day Look-back ending 5/13/2024; "Open Interest" + "Avg. Daily Option Volume" are simple estimations using closing SPY price x 100 x # of contracts. Certain contracts may be deep OTM money and values may differ.



A hypothetical investment of \$500 million in the Innovator S&P 500 Buffer ETF – Jan (BJAN), can be executed with limited market impact since underlying exposure is SPY options. Options on SPY trade on average over \$400 billion in notional each day, a \$500 million trade in BJAN would only represent approximately 0.12% of the daily notional traded in SPY options.

Source: Bloomberg Data ("Avg. Daily Option Volume" is a simple estimation using closing SPY price x 100 x # contracts traded. Certain contracts may be deep OTM money and values may differ.)



FAQs: Trading Innovator Defined Outcome ETFs™

WHEN CAN I TRADE?

Investors may buy/sell Innovator Defined Outcome ETFs™ just like any other ETF. The ETFs are actively quoted/traded during market hours. Furthermore (unlike traditional structured products), investors can buy/sell at any point during an outcome period with ease. Investors can expect tight bid-ask spreads throughout the outcome period and no hidden fees, unlike legacy structured products which often have surrender charges or load fees.

If an investor decides to transact intra-outcome period, he/she can view the current ETF cap/buffer levels via the “pricing tool” on [Innovator’s website](#).

WHEN SHOULD I TRADE?

Investors may initiate a position at any point during an outcome period, but volume tends to be highest around the rebalance date for Defined Outcome ETFs™. Why is that so? Investors who purchase & hold these ETFs from start to end of an outcome period receive the stated cap + buffer levels. Investors who purchase after Day 1 of an outcome period will also experience a defined outcome (but with a different cap/buffer) if they hold for the remainder of the outcome period. For investors seeking official starting parameters, we recommend purchasing on reset day (final day of outcome period) in the afternoon.

Example: PMAR (S&P 500 Power Buffer ETF) rebalanced on 3/1/21 and began a new outcome period, with a starting cap of 11.3% and buffer of 15%. On day 1 of the new outcome period (3/1/21), SPY rallied 2.42%, resulting in a 1.1% return for PMAR and corresponding 10% remaining cap/1.1% downside before the 15% buffer.

WHAT IF I SEE LOW VOLUME OR A WIDE SPREAD? DO THESE ETFs TRADE AT A PREMIUM/DISCOUNT?

Low volume should be of no concern. Remember, an ETF’s liquidity is derived from the liquidity of its underlying components. Innovator ETFs track the the most liquid underlying indices. Innovator may assist with tightening spreads & advising on limits (being cognizant of fair value).

In times of market volatility or powerful supply/demand influences, ETFs may stray from their iNAV intraday. However, these discrepancies are often quickly arbitrated away by market-makers. Innovator’s Defined Outcome ETFs™ maintain tight spreads with negligible premium/discounts. Defined Outcome ETFs™ have weathered multiple volatility events (including COVID) and delivered on their stated objectives.

IS THERE A SPECIFIC ORDER SIZE THRESHOLD WHERE I SHOULD REACH OUT TO INNOVATOR?

Using a limit order or a custodian’s block trading desk is sufficient for nearly all orders. That being said, Innovator’s Capital Markets team is here to assist for trade help as needed. Innovator’s Capital Markets team has a deep background in product structure, liquidity, trading, and market-making. They have a variety of solutions available to investors to help seek to minimize trade cost and achieve best execution.

WHAT ARE THE BENEFITS OF THE ETF WRAPPER FOR THIS TYPE OF PRODUCT?

The ETF wrapper delivers transparency, lower-costs, tax-efficiency, and daily liquidity to investors. Unlike traditional structured products, advisors also have unparalleled scalability with the ETF: allowing them to allocate a single ticker across numerous client accounts or into a broader model portfolio.



Consistent Liquidity

While trading activity is highest around rebalance periods, liquidity is equally accessible during an outcome period. These trading examples to the right highlight outsized trades during an outcome period. As expected, clients can move in/out of positions with ease due to the robust underlying liquidity of these ETFs.



Looking for Current Pricing?

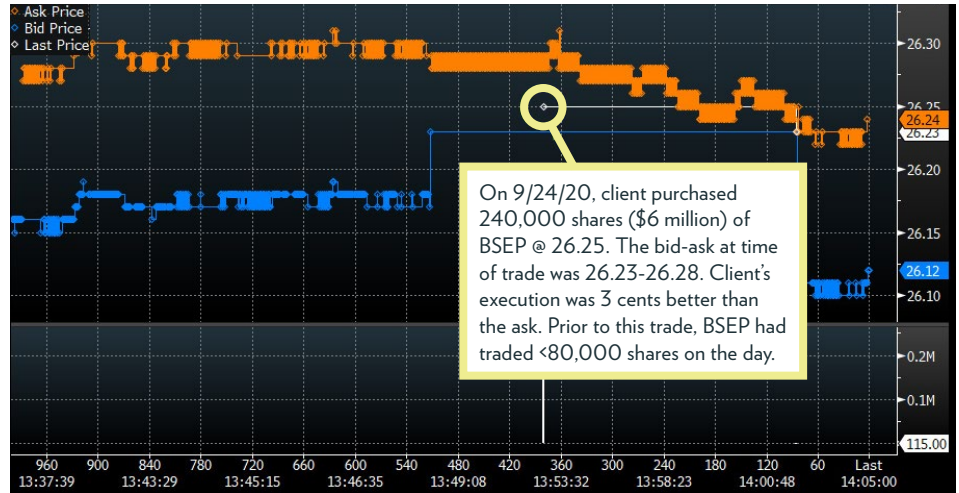
Visit our website to view all intraday caps and buffers here:

Pricing tool >

INNOVATOR S&P 500 BUFFER ETF - SEPTEMBER (BSEP)

DATE: 9/24/2020

SIZE: PURCHASE OF 240,000 SHARES (\$6 MILLION)

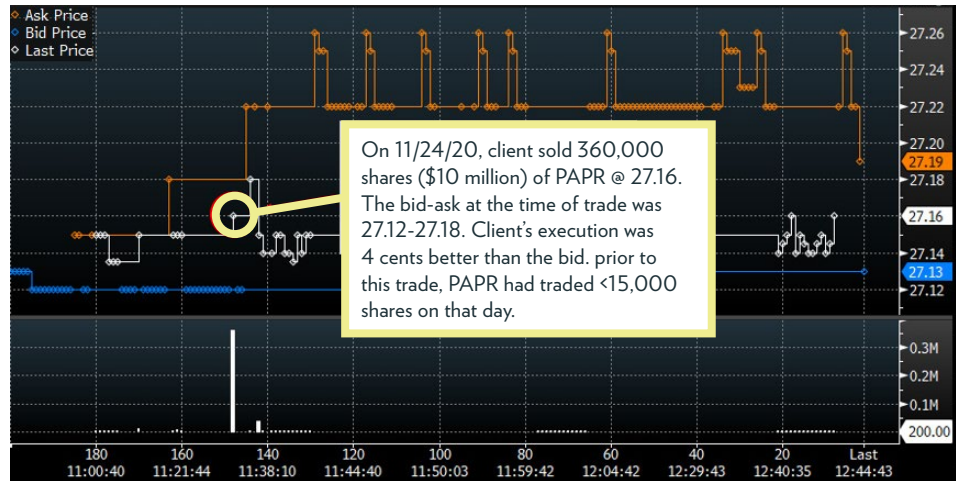


Source: Bloomberg

INNOVATOR S&P 500 BUFFER ETF - APRIL (PAPR)

DATE: 11/24/2020

SIZE: PURCHASE OF 360,000 SHARES (\$10 MILLION)



Source: Bloomberg

ETF Trading Support

INNOVATOR'S TRADING PARTNERS

Wolverine	Jane Street
Citadel	Goldman Sachs
Old Mission	JP Morgan
Susquehanna (SIG)	Virtu Financial

Innovator ETFs are supported by some of the most advanced trading firms and largest banks in the world. Each ETF has multiple liquidity providers supporting it throughout the day. This contributes to tight bid-ask spreads and consistent liquidity, especially during periods of volatility.

Innovator ETFs has an experienced team of capital market professionals who can help you locate liquidity, provide indicative quotes, and devise a trading strategy to help you meet your execution requirements. If you need any implementation help, please call Innovator ETFs at 630.735.8788 or email us at capitalmarkets@innovatoretf.com.

For large ETF block trades, we recommend reaching out to your custodian's block trading desk. If you do not have access to a block trading desk, you can also utilize an agency broker, who will act on your behalf and locate liquidity for you.



The Fund has 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.

The outcomes that the Fund seeks to provide may only be realized if you are holding shares on the first day of the Outcome Period and continue to hold them on the last day of the Outcome Period, approximately one year.

There is no guarantee that the Outcomes for an Outcome Period will be realized or that the Fund will achieve its investment objective.

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.

Non-U.S. securities and Emerging Markets are subject to higher volatility than securities of domestic issuers due to possible adverse political, social or economic developments, restrictions on foreign investment or exchange of securities, lack of liquidity, currency exchange rates, excessive taxation, government seizure of assets, different legal or accounting standards, and less government supervision and regulation of securities exchanges in foreign countries.

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.

These Funds are designed to provide point-to-point exposure to the price return of the Index via a basket of Flex Options. As a result, the ETFs are not expected to move directly in line with the Index 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.innovatoretfs.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 only seek to provide shareholders that hold shares for the entire Outcome Period with their respective buffer level against Index 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 following marks: Accelerated ETFs®, Accelerated Plus ETF®, Accelerated Return ETFs®, Barrier ETF™, Buffer ETF™, Defined Outcome Bond ETF®, Defined Outcome ETFs™, Defined Protection ETF™, Define Your Future®, Enhanced ETF™, Floor ETF®, Innovator ETFs®, Leading The Defined Outcome ETF Revolution™, Managed Buffer ETFs®, Managed Outcome ETFs®, Step-Up™, Step-Up ETFs™, Target Protection ETF™ and all related names, logos, product and service names, designs, and slogans are the trademarks of Innovator Capital Management, LLC, its affiliates or licensors. Use of these terms is strictly prohibited without proper written authorization.

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

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