

Principal Exchange-Traded Funds (ETF) (As of 05/01/2019)

Principal ETFs: crafted with portfolio construction in mind

Principal ETFs are the next generation of our asset allocation expertise. Each is purpose-built for execution excellence.

Fund	Investment manager	CUSIP	Ticker	Inception date	Net/gross expense ratio	Intraday ticker (IIV)	Benchmark	Morningstar category
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Active Management

Principal Active Income ETF	Principal Portfolio Strategies/ Principal Global Investors	74255Y102	YLD	07/08/15	0.49%	YLD.IV	Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped Index	US Fund Allocation – 30% to 50% Equity
Principal Active Global Dividend Income ETF	Edge Asset Management/ Principal Global Investors	74255Y706	GDVD	05/09/17	0.58%	GDVD.IV	MSCI All Country World Index NR (ACWI)	US Fund World Large Stock
Principal Spectrum Preferred Securities Active ETF	Spectrum Asset Management / Principal Global Investors	74255Y888	PREF	07/10/17	0.55%	PREF.IV	ICE Bank of America Merrill Lynch US Investment Grade Institutional Capital Securities Index	US Fund Preferred Stock
Principal Investment Grade Corporate Active ETF	Principal Global Investors	74255Y821	IG	04/18/18	0.26%	IG.IV	Bloomberg Barclays U.S. Corporate Investment Grade Bond Index	US Fund Corporate Bond
Principal Ultra-Short Active Income ETF	Principal Global Investors	74255Y813	USI	04/24/19	0.18%	USI.IV	Bloomberg Barclays U.S. 1-3 month Treasury Bill Index	Ultra Short Bond

Strategic Beta

Principal Price Setters Index ETF	Principal Global Investors	74255Y201	PSET	03/21/16	0.29%/0.40%	PSET.IV	Nasdaq US Price Setters Index	US Fund Large Growth
Principal Shareholder Yield Index ETF	Principal Global Investors	74255Y300	PY	03/21/16	0.29%/0.40%	PY.IV	Nasdaq US Shareholder Yield Index	US Fund Mid-Cap Value
Principal Healthcare Innovators Index ETF	Principal Global Investors	74255Y409	BTEC	08/19/16	0.42%	BTEC.IV	Nasdaq US Health Care Innovators Index	US Fund Health
Principal Millennials Index ETF	Principal Global Investors	74255Y508	GENY	08/19/16	0.45%	GENY.IV	Nasdaq Global Millennial Opportunity Index	US Fund World Large Stock
Principal U.S. Small-Cap Multi-Factor Index ETF	Principal Global Investors	74255Y607	PSC	09/21/16	0.38%	PSC.IV	Nasdaq US Small Cap Select Leaders Index	US Fund Small Blend
Principal U.S. Mega-Cap Multi-Factor Index ETF	Principal Global Investors	74255Y870	USMC	10/11/17	0.12%/0.15%	USMC.IV	Nasdaq US Mega Cap Select Leaders Index	US Fund Large Blend
Principal Sustainable Momentum Index ETF	Principal Global Investors	74255Y854	PMOM	10/18/17	0.29%	PMOM.IV	Nasdaq US Sustainable Momentum Index	US Fund Large Growth
Principal Contrarian Value Index ETF	Principal Global Investors	74255Y862	PVAL	10/18/17	0.29%	PVAL.IV	Nasdaq US Contrarian Value Index	US Fund Mid-Cap Value

Carefully consider a fund's objectives, risks, charges, and expenses. For a prospectus, or summary prospectus if available, containing this and other information, visit PrincipalETFs.com or call Sales Support at 800-787-1621. Please read it carefully before investing.

Risks

Asset allocation and diversification do not ensure a profit or protect against a loss. Investing in ETFs involves risk, including possible loss of principal. ETFs are subject to risk similar to those of stocks, including those regarding short-selling and margin account maintenance.

Investor shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Ordinary brokerage commissions apply.

Risks specific to the Principal Ultra-Short Active Income ETF: Fixed-income investment options are subject to interest rate risk, and their value will decline as interest rates rise. Neither the principal of bond investment options nor their yields are guaranteed by the U.S. government. International and global investing involves greater risks such as currency fluctuations, political/social instability and differing accounting standards. This Fund is new and has limited operating history.

Risks specific to the Principal Price Setters Index ETF, Principal Shareholder Yield Index ETF, Principal Sustainable Momentum Index ETF, and Principal Contrarian Value Index ETF: Mid-cap stocks may have additional risks, including greater price volatility.

Risks specific to the Principal Healthcare Innovators Index ETF: Small and mid-cap stocks may have additional risks including greater price volatility. Investments concentrated in the healthcare industry may be adversely impacted by sector specific market shocks, unforeseen rate controls or regulations, higher than expected costs, or inability to bring new products to market.

Risks specific to Principal Millennials Index ETF: International and global investing involves greater risks such as currency fluctuations, political/social instability and differing accounting standards.

Risks specific to the Principal U.S. Small Cap Index ETF: Small cap stocks may have additional risks including greater price volatility.

Risks specific to the Principal U.S. Mega-Cap Multi-Factor Index ETF: Equity investments involve greater risk, including heightened volatility, than fixed-income investments.

Risks specific to the Principal Active Income ETF: Fixed-income investments are subject to interest rate risk; as interest rates rise, their value will decline. Lower-rated securities are subject to additional credit and default risks. REIT securities are subject to risk factors associated with the real estate industry and tax factors of REIT registration. A master limited partnership (MLP) that invests in a particular industry (e.g., oil and gas) may be harmed by detrimental economic events within that industry. As partnerships, MLPs may be subject to less regulation (and less protection for investors) under state laws than corporations. In addition, MLPs may be subject to state taxation in certain jurisdictions, which may reduce the amount of income paid by an MLP to its investors.

Risks specific to Principal Active Global Dividend Income ETF: Equity investments involve greater risk, including heightened volatility, than fixed-income investments. International and global investing involves greater risks such as currency fluctuations, political/social instability and differing accounting standards.

Risks specific to Principal Spectrum Preferred Securities Active ETF: Risks of preferred securities differ from risks inherent in other investments. In particular, in a bankruptcy, preferred securities are senior to common stock but subordinate to other corporate debt.

Risks specific to the Principal Investment Grade Corporate Active ETF: Fixed-income investments are subject to interest rate risk; as interest rates rise, their value will decline.

Where gross and net expense ratios differ, the investment adviser has contractually agreed to limit the investment option's expenses. Differences also may be due to the investment adviser's decision to pay certain expenses that would normally be payable by the fund. It is expected that the expense limits will continue through the period ending 31 October 2019 for **PY, PSET, and USMC**.

IG ETF is new and has limited operating history.

Unlike typical ETFs, there are no indices that **USI, GDVD, IG, PREF, and YLD ETFs** attempt to track or replicate. Thus, the ability of these funds to achieve their objectives will depend on the effectiveness of the portfolio manager.

The Bloomberg Barclays 1-3 Month U.S. Treasury Bill Index is designed to measure the performance of public obligations of the U.S. Treasury with maturities of 1-3 months, including securities that roll up to the U.S. Aggregate, U.S. Universal, and Global Aggregate Indices.

The Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped Index is an unmanaged index comprised of fixed-rate, non-investment-grade debt securities that are dollar denominated. The index limits the maximum exposure to any one issuer to two percent.

The Bloomberg Barclays U.S. Corporate Investment Grade Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes U.S. dollar-denominated securities publicly issued by U.S. and non-U.S. industrial, utility, and financial issuers.

The MSCI ACWI captures large and mid cap representation across 23 Developed Markets (DM) and 23 Emerging Markets (EM) countries. With 2,480 constituents, the index covers approximately 85% of the global investable equity opportunity set.

The ICE BofA Merrill Lynch U.S. Investment Grade Institutional Capital Securities Index tracks the performance of U.S. dollar denominated investment grade hybrid capital corporate and preferred securities publicly issued in the U.S. domestic market.

The Principal Healthcare Innovators Index ETF seeks to track the Nasdaq U.S. Healthcare Innovators Index, which is designed to provide exposure to U.S. companies that are early stage healthcare companies.

The Principal Millennials Index ETF seeks to track the Nasdaq Global Millennial Opportunity Index, which is designed to provide exposure to global equity securities of companies that are impacted by the spending and lifestyle activities of the Millennial generation.

The Principal Price Setters Index ETF seeks to track the Nasdaq U.S. Price Setters Index, which is designed to provide exposure to equity securities of large capitalization U.S. issuers. The index focuses on U.S. companies with sustainable pricing power, consistent sales growth, high/stable margins, quality earnings, low volatility, and high levels of profitability.

The Principal Shareholder Yield Index ETF seeks to track the Nasdaq U.S. Shareholder Yield Index, which is designed to provide exposure to equity securities of mid- and large capitalization U.S. issuers. The index focuses on U.S. companies with sustainable shareholder yield, strong cash flow generation, and capacity to increase dividends and/or buybacks.

The Principal U.S. Small Cap Index ETF seeks to track the Nasdaq U.S. Small Cap Select Leaders Index, which is designed to provide exposure to companies within the Nasdaq U.S. Small Cap Index that exhibit high degrees of sustainable shareholder yield, pricing power, and strong momentum.

The Principal U.S. Mega-Cap Multi-Factor Index ETF seeks to track the Nasdaq U.S. Mega Cap Select Leaders Index, which provides exposure to the largest U.S. companies within the Nasdaq U.S. 500 Large Cap Index with a tilt to lower volatility companies.

The Principal Sustainable Momentum Index ETF seeks to track the Nasdaq U.S. Sustainable Momentum Index, which is designed to provide exposure to equity securities of mid- to large capitalization companies within the Nasdaq U.S. Large Mid Cap Index that exhibit strong price momentum.

The Principal Contrarian Value Index ETF seeks to track the Nasdaq U.S. Contrarian Value Index, which is designed to provide exposure to the balance sheet value risk premia of companies within the Nasdaq U.S. Large Mid Cap Index, while attempting to avoid those companies that exhibit value traps.

Investors cannot invest directly in an index.

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