

UNITHOLDER NOTICE

17 June 2020

Principal Global Investors Funds (the "Trust")

Dear Unitholder

We are writing to notify you, in our capacity as manager of the Trust (**Manager**), of changes made to the Prospectus of the Trust (**Prospectus**) and supplements of the Trust (**Supplements**) which were noted by the Central Bank of Ireland (**Central Bank**) on 12 June 2020. A summary of some of the key changes are set out below. These amendments were subject to the approval of the Central Bank and did not require unitholder approval.

(i) Benchmark Disclosure

The Prospectus has been updated to include disclosure on the use of benchmarks:

Benchmark Regulation

Disclosure has been inserted with respect to the EU Regulation on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds 2016/1011/EU ("**Benchmark Regulation**") and to clarify that when a Fund has an objective of outperforming an index but is actively managed and does not otherwise, in the investment policy or strategy section of the Supplement, expressly set out any constraint relating to the index then it shall not be considered using an index for the purposes of the Benchmark Regulation.

Active Strategy and Index Disclosures

The Supplements for the following Funds, which are actively managed, were updated to provide for disclosure as to how each Fund references or uses an index for performance measurement purposes. It is confirmed that this does not represent a change to the ways in which the Funds are managed and does not represent a change to the investment objective or policy;

- Asian High Yield Fund;
- European Equity Fund;
- Global Equity Fund;
- Global Diversified Income Fund;
- Global Property Securities Fund;
- High Yield Fund;
- Origin Global Emerging Markets Fund;
- Origin Global Smaller Companies Fund;
- Post Global Limited Term High Yield Fund;
- Preferred Securities Fund; and
- U.S. Blue Chip Equity Fund.

(ii) Bond Connect

Registered Office: As above

Registered in Ireland. Company Number: 303982.

Regulated by the Central Bank of Ireland.

Directors: Mike Beer (USA), James Firn (UK and USA), Christopher Henderson (USA), Greg Thornton (UK), John O'Connell, David Shubotham, Bronwyn Wright

Disclosures have been added to the investment policy sections of the following Supplements to clarify that exposure to the China bond market may, going forward, be through Bond Connect, and comprehensive risk warnings have been added to both the Prospectus and the following Supplements;

- Asian High Yield Fund;
- Finisterre VAG Unconstrained EM Fixed Income Fund;
- Finisterre Unconstrained Emerging Markets Fixed Income Fund; and
- Global Diversified Income Fund.

It is confirmed that this does not represent a material change to the investment policies of the foregoing Funds.

(iii) SFTR Wording

To enhance consistency of disclosure between Funds which engage in securities financing transactions in accordance with Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse ("**SFTR**"), the wording relative to SFTR was moved to the main body of the Prospectus.

(iv) Exotic Options

A review into the Fund's usage of exotic options was undertaken. It was ascertained that no Funds were currently utilizing, or had intention to utilize, exotic options and as such, these instruments have been removed from the Supplement of the Finisterre Unconstrained Emerging Markets Fixed Income Fund.

(v) Rule 144a Securities

The risk disclosures in the following Supplements have been updated to clarify that Rule 144A securities which have not been issued with an undertaking to register them with the U.S. Securities and Exchanges Commission, are not subject to a 10% investment restriction, provided that they are eligible investments for the Fund;

- High Yield Fund;
- Global Diversified Income Fund; and
- Post Global Limited Term High Yield Fund.

(vi) General Updates

- The Prospectus has been updated in line with the trust deed for the Trust following the resolution passed at the 19 September 2019 EGM to remove the reference to a 3-month notice period for notification of Fund closures;
- Taxation Review: The tax disclosures within the Prospectus have been updated to account for the legislative updates since the last filing of the Prospectus; and
- Anti-Money Laundering: In accordance with legislative updates the relevant anti-money laundering and counter terrorist financing measures disclosures have been updated.

Unitholders may obtain a copy of the updated Prospectus and Supplements detailing all changes made thereto free of charge from:

Principal Global Investors (Ireland) Limited
32 Molesworth Street

Dublin 2
Ireland

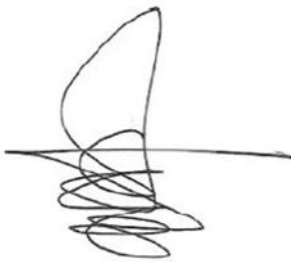
www.principalglobal.com

If you have any questions relating to the above, please contact your relationship manager who will be able to assist.

The Board accept responsibility for the information contained in this letter as being accurate at the date hereof.

Many thanks for your continued support.

Yours faithfully

A handwritten signature in black ink, consisting of a large, stylized loop at the top, followed by a horizontal line, and then several smaller, overlapping loops below.

**Director, for and on behalf of
Principal Global Investors (Ireland) Limited**