

The board of directors of Principal Global Investors (Ireland) Limited (the “Board”), in its capacity as the Manager of Asian High Yield Fund, a sub-fund of Principal Global Investors Fund accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement misleading.

This circular is important and requires your immediate attention. If you are in doubt as to the action you should take you should seek advice from your stockbroker, bank manager, solicitor, accountant, tax adviser or other independent financial adviser. If you have sold or transferred all of your units please pass this circular at once to the purchaser, transferee, stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee as soon as possible.

This circular has not been reviewed by the Central Bank of Ireland (the “Central Bank”) and it is possible that changes thereto may be necessary to meet the requirements of the Central Bank. The Board is of the opinion that there is nothing contained in this circular or in the proposals detailed herein that conflicts with the applicable regulations or guidance issued by the Central Bank.

Unless otherwise indicated, capitalised terms in this notice shall have the same meaning as described in the prospectus for the Trust dated 12 June 2020 and the addendum thereto dated 10 December 2021 (together, the “Prospectus”) and the Fund supplement (the “Supplement”).

**Principal Global Investors (Ireland) Limited (the “Manager”)
Principal Global Investors Funds (the “Trust”)
Asian High Yield Fund (the “Fund”)**

Date: 13 April 2022

Dear Unitholder

Purpose – Supplement Updates

We are writing to you as a unitholder of the Fund (a sub-fund of the Trust), to inform you of certain proposed changes to the Fund (reflected in a revised supplement for the Fund) that is expected to be noted by the Central Bank on or about 27 April 2022 (changes being effected on this “**Effective Date**”).

This letter summarises the proposed changes to the Supplement. Investors are encouraged to refer to the Prospectus and Supplement for further details.

1. Disclosures for the EU Sustainable Finance Disclosure Regulation (“SFDR”)

It is proposed that the Fund will be classified as an ESG Orientated Fund (as defined in the Prospectus). As such, the Supplement will be updated to include the relevant disclosures relating to the Fund’s alignment with the Article 8 requirements under the SFDR. Please note that the rationale for these changes at this time is to clarify how the Fund is managed rather than a change in how it is managed.

These disclosures will include information on the environmental and social characteristics promoted by the Fund and how they are met, as well as information on how good governance of investee companies is ensured. The environmental characteristics considered by the Fund include, but are not limited to, energy intensity, carbon emissions, water emissions and biodiversity. The social characteristics considered by the

Fund include, but are not limited to, labour standards and employee welfare. In order to do this, the Fund will incorporate the following:

- (a) a proprietary environmental, social and governance (“**ESG**”) scoring system into decision making, which will be used to evaluate ESG-related risk and opportunity based on a predetermined framework of ESG metrics and attributes and is weighted to issues most relevant to a specific sector;
- (b) screening to specifically consider carbon intensity and United Nations Global Compact (“**UN Global Compact**”) violations. with the aim for a weighted average carbon intensity for the Fund that is 10% lower than the Index (as defined in the Supplement) and an aggregate weight of investee companies involved in violations of the UN Global Company for the Fund that is lower than the Index; and
- (c) a further set of fixed exclusion criteria to the Fund to specifically exclude companies where more than 10% of the revenue is derived from production, distribution, or services to nuclear power plants, and the further exclusion of companies and issuers involved in the production of cluster munitions, landmines, biological or chemical weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and / or non-detectable fragment weapons, as well as companies that own or are involved in the distribution, licensing, sale or supply of tobacco.

In addition to the above exclusions, the sub-advisor of the Fund (the “**Sub-Advisor**”) will commit to maintaining a maximum exposure of 10% of the net asset value of the Fund (the “**NAV**”) to companies or issuers with revenues of more than 50% derived from the production or consumption of thermal coal, oil and gas, and will also maintain a minimum exposure of 10% of the NAV to companies involved in sustainable financing.

This section of the Supplement will also be updated to include an outline of the factors that the Sub-Advisor considers when assessing good corporate governance practices of investee companies.

2. Benchmark Use

The section entitled **How the Fund References an Index or Benchmark** will be expanded to clarify that the Index does not take sustainability characteristics into account and considerations of such characteristics are recognised independently of the Index.

3. Efficient Portfolio Management

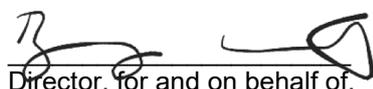
The section entitled **Efficient Portfolio Management** will be updated to clarify that global exposure and leverage as a result of derivative techniques and instruments for the purpose of hedging shall not exceed 25% of the NAV. This represents a reduction as the current disclosure provides that global exposure and leverage shall not exceed 50% of the NAV.

General

In addition to the above, we are using this opportunity to make some passage of time amendments to the Supplement. It is expected that these changes will take effect on or around the Effective Date.

We thank you for your continuing support for the Fund.

Yours faithfully



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