

- *This statement provides you with key information about Principal Global Investors Funds - Global Responsible Equity Fund (“Sub-Fund”).*
- *This statement is a part of the offering document.*
- *You should not invest in the Sub-Fund based on this statement alone.*

Quick facts

| | | |
|--|---|-------|
| Manager: | Principal Global Investors (Ireland) Limited | |
| Delegate of the Manager (the Adviser): | Principal Global Investors, LLC. Internal delegation in the USA | |
| Sub-Delegate of the Manager (the Sub-Adviser): | Principal Global Investors (Europe) Limited. Internal delegation in the United Kingdom. | |
| Trustee: | The Bank of New York Mellon SA/NV | |
| Ongoing charges over a year*: | USD A Class Income Units | 1.83% |
| | USD A Class Accumulation Units | 1.83% |
| <p>* The ongoing charges are based on last year’s expenses, for the year ended 30 September 2021, and this figure may vary from year to year. The ongoing charges include management fee, trustee fee, administration fee, custodian fee, audit fee, professional expense, legal fee and other expenses.</p> | | |
| Dealing frequency: | Every Ireland business day, other than Saturday and Sunday | |
| Base currency: | US Dollar | |
| Dividend policy: | <p>For Income Units:</p> <ul style="list-style-type: none"> • It will be paid on an annual basis in the month of January each year. • Dividend, if declared, will be automatically re-invested unless cash distribution is applied for. • The dividends distributed by the Sub-Fund may be paid effectively out of the capital of the Sub-Fund (i.e. making the distribution from gross income while charging all or part of the Sub-Fund’s fees and expenses to capital), resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and an immediate reduction of the net asset value per unit of the Sub-Fund. Payment of dividends effectively out of capital amounts to a return or withdrawal of part of an investor’s original investment or from any capital gains attributable to that original investment. <p>For Accumulation Units:</p> | |

| | |
|--|--|
| | <ul style="list-style-type: none"> No dividend will be declared or distributed. |
| Financial year end of this Sub-Fund: | 30 September |
| Min. investment: | For A Class Units: US\$ 1,000 initial |
| What is this product? The Sub-Fund is a fund constituted in the form of a unit trust. It is domiciled in Ireland and its home regulator is the Central Bank of Ireland. | |
| Objectives and Investment Strategy Objective To seek capital growth over the medium to long term. | |
| Investment Strategy The Sub-Fund seeks to achieve its objective by investing primarily in equity securities domiciled in both developed and emerging markets that demonstrate “positive fundamental change” at attractive valuations relative to other similar investments, while meeting the ESG considerations as elaborated in the Summary Prospectus, whereby the Adviser seeks to determine the internal catalysts (investee company driven) and/or external catalysts (industry driven) underlying the positive change exhibited by investee companies through proprietary screening, with an investment preference for investee companies whose catalysts are likely to be long term and structural in nature. Further details of the foregoing process and examples of indicators of positive changes are set out in the Summary Prospectus. | |
| The Adviser analyses potential investee companies to determine whether they are consistent with the ESG considerations that are promoted by the Sub-Fund. The environmental characteristics considered by the Sub-Fund include, but are not limited to; greenhouse gas emissions and carbon footprint. The social characteristics considered by the Sub-Fund include, but are not limited to; public health, health and safety and workforce and community management. In respect of governance, the Sub-Fund will have a particular focus on companies demonstrating a strong commitment to good corporate governance practices, which aligns with the United Nations Principles for Responsible Investment. | |
| The Adviser assesses the ESG characteristics of the Sub-Fund by first assigning an ESG risk level to each holding considered by the Sub-Fund using a proprietary methodology incorporating partnership with third party data providers (MSCI, ISS and Bloomberg etc.) to identify the key risks to stakeholders and the associated positive change to the environmental and social characteristics to be considered in each holding and references these outcomes in investment decision making. The Adviser also assigns an ESG risk trend of either improving, stable or deteriorating, which provides important context to the risk level and informs the Adviser’s tolerance for that risk. The Adviser then identifies the top portion of potential investee companies (i.e. those with lower ESG risk levels) for inclusion in the Sub-Fund’s investment universe. Securities rated as “High Risk” are generally not considered for inclusion for investment by the Sub-Fund, unless also accompanied by a | |

compelling “Improving” ESG risk trend designation.

The Adviser also uses MSCI to identify the carbon risk score for all potential investee companies and aims for an aggregate carbon risk level for the Sub-Fund’s portfolio that is 20% lower than the MSCI AC World NTR index.

The Sub-Fund also excludes: (i) thermal coal producers; (ii) companies or issuers where their revenue is significantly derived from involvement in producing tobacco or involvement in the gambling sector; and (iii) companies which are involved in controversial weapons.

In addition to adopting the investment process set out above to assess the key risks to stakeholders and the associated positive change to the foregoing environmental and social characteristics, the Adviser engages with senior executives from investee companies on ESG issues of greatest importance as identified by the proprietary ESG risk evaluation of the holding in order to ensure good governance. Governance analysis may be based on factors such as board structure, executive remuneration, shareholder rights and audit practices, and good governance practices may be demonstrated by, for example, the primacy of governance, constructive communication, collaboration and inclusion and cognitive diversity. As a result of all of the above ESG considerations and screening, it is expected that the size of the investment universe of the Sub-Fund will generally be reduced by 20% or more in terms of number of potential investee companies.

As part of the foregoing, up to 30% of the Sub-Fund’s net asset value may from time to time be invested in securities, including equity securities of companies, which are listed or traded or the principal activities of which are located in China from time to time. The Sub-Fund may obtain such exposure to Chinese equities through Hong Kong-listed H-Shares and other available depositary receipts or through direct investments in China A-Shares via the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect.

In jurisdictions where it would not be possible or practical for the Sub-Fund to hold the equity securities directly, it may obtain exposure through equity-related securities including American Depositary Receipts and Global Depositary Receipts. The Sub-Fund may invest up to 20% of its net asset value in depositary receipts.

The Sub-Fund may hold investments from time to time which are listed or traded in Russia on the Moscow exchange. It is not anticipated that such investments will normally constitute a substantial element of the Sub-Fund and shall not in any event exceed 10% of the net assets of the Sub-Fund.

The Sub-Fund may also invest less than 10% of its net asset value in UCITS eligible collective investment schemes, including exchange traded funds, as an alternative means through which the Sub-Fund may gain exposure to the types of investments detailed above in the event of not being able to invest directly. The Sub-Fund will only invest in alternative investment funds per the Central Bank’s Guidance in relation to UCITS Acceptable Investments in Other Investment Funds. The Sub-Fund will not invest in US exchange

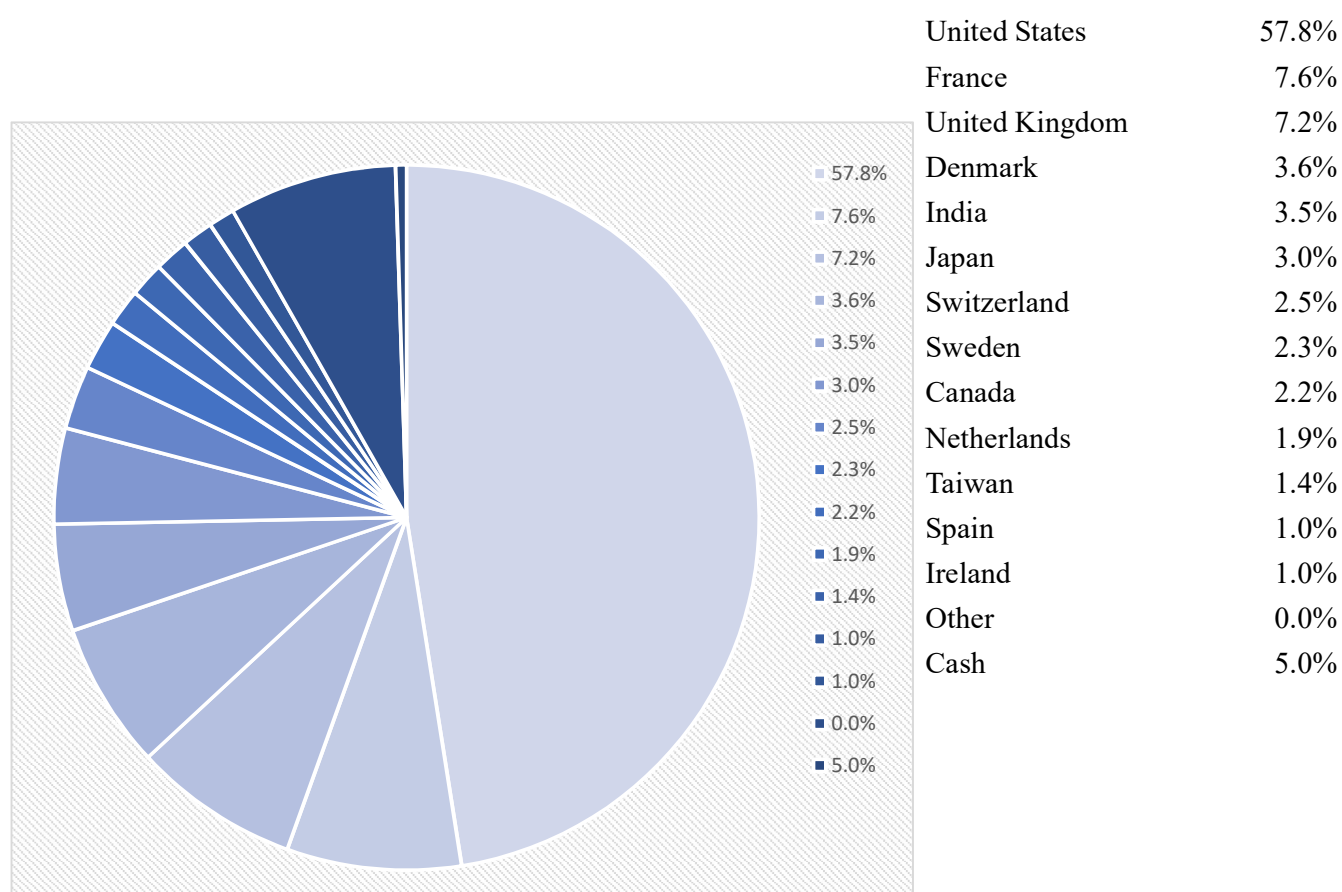
traded funds.

It may also invest up to 20% of its net asset value in listed real estate investment trusts (REITS) or other REIT-like structures which will be the equivalent of REITS.

Use of Derivatives / Investment in Derivatives

The Sub-Fund will not use financial derivative instruments for any purposes.

Investment Mix as at 31 March 2022



What are the key risks?

Investment involves risks. Please refer to the Summary Prospectus for details including the risk factors.

- 1. General investment risk** – The Sub-Fund’s investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of repayment of principal, and investors should be aware that there is no guarantee that the Sub-Fund will achieve its investment objective.
- 2. Currency risk** – Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. The net asset value of the Sub-Fund may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
- 3. Equity market risk** - The Sub-Fund’s investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.
- 4. Risks associated with ESG investments** – The investment selection process involves assessment of potential investments against environmental and social characteristics promoted by the Sub-Fund, as well as governance considerations. Such assessment by the Adviser is subjective in nature and can lead to the Sub-Fund forgoing investment opportunities which align with the above characteristics and considerations, or investing in securities which do not meet such characteristics or considerations.

The above assessment is also dependent upon information and data from the security issuer and/or third-parties, may be incomplete, inaccurate or inconsistent. The lack of a standardised taxonomy may affect the Adviser’s ability to measure and assess a potential investment’s environmental and social characteristics and governance policies and practices, and may result in different funds applying environmental, social and governance criteria differently.

Implementation of the Sub-Fund’s exclusion policy may result in the Sub-Fund forgoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities when it might be disadvantageous to do so.

The Sub-Fund may be concentrated in companies with an ESG focus. The value of the Sub-Fund may be more volatile than that of a Sub-Fund having a more diverse portfolio of investments.

5. Emerging markets

- ***Investment and concentration in emerging markets*** – The Sub-Fund invests in emerging markets,

which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Given the Sub-Fund's investments may be concentrated in any geographical region(s) or nation(s) which the Sub-Adviser considers to be emerging markets, the value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments, and may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the emerging markets.

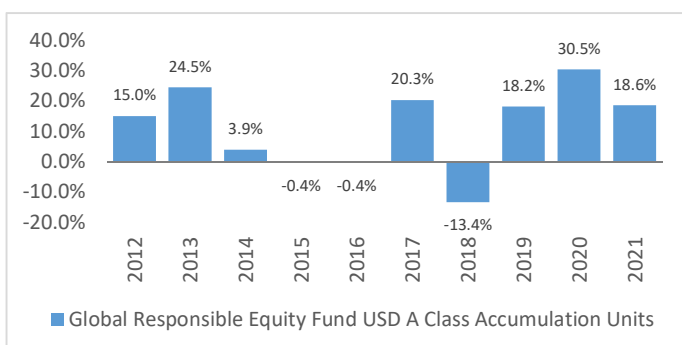
- ***Risk associated with high volatility of the equity market in emerging markets*** – High market volatility and potential settlement difficulties in the markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Sub-Fund.
- ***Risk associated with regulatory/exchanges requirements/policies of the equity market in emerging markets*** – Securities exchanges in emerging markets typically have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets. All these may have a negative impact on the Sub-Fund.

6. **Specific risks relating to investments in Mainland China** – The Sub-Fund may from time to time be concentrated in investments in Mainland China. The risk factor “Emerging market risk” above also applies to investments in Mainland China.
7. **RMB currency and conversion risks** – RMB is currently not freely convertible and is subject to exchange controls and restrictions. Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currencies (for example HKD) will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment in the Sub-Fund. Although offshore RMB (CNH) and onshore RMB (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors. With respect to the Sub-Fund's investments which are denominated in RMB and under exceptional circumstances, payment of redemptions and/or dividend payment may be delayed due to the exchange controls and restrictions applicable to RMB.
8. **Risks associated with the Stock Connect** – The relevant rules and regulations on the Stock Connect are subject to change which may have potential retrospective effect. The Stock Connect is subject to quota limitations. Where a suspension in the trading through the Stock Connect is effected, the Sub-Fund's ability to invest in China A-shares or access the PRC market through the Stock Connect will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.
9. **Market risk** - The Sub-Fund's investments are subject to the risks inherent in all securities, including the

fact that the value of holdings may go down as well as up significantly, and you may not be able to get back the same amount you invested. In particular, the income earned from the Sub-Fund's investments may fluctuate up or down as a result of changes in the dividend policy of the underlying companies in which the Sub-Fund is invested. Such changes will impact on the level of income available for distribution by the Sub-Fund.

10. Dividends paid effectively out of capital - The dividends distributed by the Sub-Fund may be paid effectively out of the capital of the Sub-Fund (i.e. making the distribution from gross income while charging all or part of the Sub-Fund's fees and expenses to capital), resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and an immediate reduction of the net asset value per unit of the Sub-Fund. Payment of dividends effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment.

How has the Sub-Fund performed?



Note: The performance up to 2020 were achieved under circumstances that no longer apply, the investment objective and policy were changed with effect on 16 December 2021.

Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.

These figures show by how much the USD A Class Accumulation Units** increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.

Sub-Fund launch date: 1992

USD A Class Accumulation Units launch date: 1996

**The Manager views USD A Class Accumulation Units, being the retail share class denominated in the Sub-Fund's base currency with the longest track record, as the most representative share class.

Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of the money you invest.

What are the fees and charges?

- Charges which may be payable by you**

You may have to pay the following fees when dealing in the units of the Sub-Fund.

| Fee | What you pay |
|--|---|
| Subscription fee (Preliminary Charge) | For A Class Units Up to 5% of the amount you buy |
| Switching fee | Four free switches in a 12-month period. Up to 1% of the amount you are switching for any subsequent switches |
| Redemption fee | N/A |

- Ongoing fees payable by the Sub-Fund**

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

| | Annual Rate (as a % of the Sub-Fund's Net Asset Value attributable to the relevant unit class) | |
|---------------------------|---|------------|
| Management fee | For A Class Units | 1.50% |
| | Annual Rate (as a % of the Sub-Fund's Net Asset Value) | |
| Trustee fee | For A Class Units | |
| | minimum | USD 15,000 |
| | Up to | 0.022% |
| Performance fee | N/A | |
| Administration fee | For A Class Units | 0.15% |

- Other fees**

You may have to pay other fees when dealing in the units of the Sub-Fund. The Sub-Fund will bear the costs which are directly attributable to it. Please refer to the section "Fees and Expenses" of the Summary

Prospectus for details.

You will be given not less than 3 months' prior notice should there be an increase in any of the above fees and charges from the current level up to the specified maximum level. Please refer to the section "Fees and Expenses" of the Summary Prospectus for details of the maximum level of the above fees and charges (if applicable).

Additional Information

- You generally buy and/or redeem units at the Sub-Fund's next-determined net asset value (NAV) after the Manager receives your request in good order on or before 5:00 p.m. (Hong Kong time) (being the dealing cut-off time) on a particular dealing day. If you place your subscription or redemption orders through your distributor, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The net asset value per unit of the Sub-Fund will be calculated by reference to prices of the underlying assets of the Sub-Fund as at 11:00 p.m. (Dublin time) on a given dealing day.
- The net asset value per unit of the Sub-Fund will be published on each dealing day and available online at <http://www.principal.com.hk>.*
- The information pertaining to the composition of the dividends distributed (i.e. the relative amounts paid out of (i) net distributable income; and (ii) capital) for the last 12 months can be obtained from the Hong Kong Representative upon request and also on the internet website of <http://www.principal.com.hk>.*
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors from the internet website of <http://www.principal.com.hk>.*

* This website has not been reviewed by the SFC.

Important

- If you are in doubt, you should seek professional advice.
- The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.