

Principal Global Investors (Ireland) Limited (the "Manager")

Principal Global Investors Funds (the "Trust")

UNITHOLDER CIRCULAR

This document is important and requires your immediate attention. If you are in any doubt as to the action you should take you should seek advice from your investment advisor/consultant.

If you have sold or transferred all of your Units in the Trust, please pass this document at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was affected for transmission to the purchaser or transferee as soon as possible.

A Notice convening an Extraordinary General Meeting (the "EGM") of Unitholders of the Trust is enclosed. Please complete the enclosed form of proxy in accordance with the instructions on that form. Unitholders may return a signed copy of the form of proxy either by post to the registered office at 32 Molesworth Street, Dublin 2, Ireland before the time fixed for holding the meeting or by email at MFS-Dublin-MFDSecretaries@maples.com for the attention of Niamh Fox or to such other persons as specified by the Manager. Proxies should be completed and returned no later than two business days in Ireland before the time fixed for the holding of the Extraordinary General Meeting, namely, before 12.00 p.m. on 17 September 2019 or at such other time as specified by the Manager.

Capitalised terms used in this document shall bear the same meaning as the capitalised and defined terms used in the Trust Deed. Copies of the existing and proposed amended Trust Deed are available for inspection during normal business hours from the date of this circular up to and including the time of and during, the EGM (and any adjourned EGM) at the registered office of the Manager at 32 Molesworth Street, Dublin 2.

Date: 22 August 2019

Notice of Trust Deed Updates

Dear Unitholder

We are writing to notify you that the directors of the Manager have resolved to convene an extraordinary general meeting ("**EGM**") to table proposed changes to the current Trust Deed of the Trust (the "**Trust Deed**") and prospectus for the Trust (the "**Prospectus**"). Please note that the following proposed changes are subject to approval by the Central Bank of Ireland (the "**Central Bank**").

A. Amendments to the Trust Deed

(i) Income Plus Units

The Trust Deed is being updated to allow for the creation of new Income Plus Units. Income Plus Units are units which shall seek to distribute income in a stable manner by distributing a set amount of income on each distribution date. In order for such distributions to be made, it may be necessary to make distributions from the capital of the Income Plus Units.

(ii) Payment of Dividends

For the purposes of creating in the Income Plus Units mentioned above, the Trust Deed is being updated to clarify that, as well as dividends being paid out of net income, dividends may also be paid out of;

- a) realised gains net of realised and unrealised losses; and/or
- b) capital.

It is confirmed that this change will not affect the means by which dividends shall be paid to existing unit classes.

(iii) Compulsory Redemptions

The Trust Deed is being updated to allow for Units to be redeemed or restricted in any manner the Manager or its delegate sees fit, in the following circumstances;

- a) a person holds less than the Minimum Number of Units;
- b) the Manager or its delegate has not received all supporting anti-money laundering or related documentation or any information as the Manager or its delegate may reasonably require from time to time;
- c) any person or entity that has falsified representations on subscription documents; or
- d) any person who is not eligible to invest in, or is in breach of any terms and conditions applying to a class of Units, in accordance with the Prospectus.

(iv) Miscellaneous changes to the Trust Deed

The Trust Deed is also being updated to take account of general housekeeping changes.

a. Supplemental Trust Deeds

The Supplement Trust Deeds dated of 1 July 2016 and 28 October 2016 have now been incorporated into the Trust Deed.

b. Administrators Fee

Details of the Administrator's Fee is being removed from the Trust Deed and will now be detailed within the Prospectus. There are no changes to the fee level or structure of the Administrator's Fee as a result of this amendment to the Trust Deed.

c. Brokerage Fees

The "Charges against Trust Fund" section is being updated to clarify that brokerage payments include any payments to a research payment account in accordance with Article 13 of Commission Delegate Directive (EU) 2017/593, supplementing Directive 2014/65/EU of the European Parliament.

d. Notice to Unitholders of Termination

The notice period for the termination of a Portfolio is changing from not less than three months to such period as the Manager shall determine.

The aforementioned updates to the Trust Deed shall also be reflected, where relevant, in the Prospectus subject to any further amendments as may be required by the Central Bank.

The Directors reserve the right to make other non-material amendments to the Trust Deed and Prospectus to be approved by the Unitholders at the EGM, without further notice to Unitholders; however, any further material changes will require the approval of Unitholders, who shall be notified of such in advance of the EGM.

B. Unitholder Procedure and Action to be taken

The proposed amendments will require the approval of Unitholders of the Trust. It is proposed to implement the amendments by way of an extraordinary resolution at an EGM.

If you are a registered Unitholder in the Trust, you should exercise your vote on the proposed resolution by completing and returning the enclosed form of proxy in accordance with the notes set out on the form or by attending the meeting at 12.00p.m. Dublin time on 19 September 2019. You may still attend and vote in person at the meeting if you so wish even if you have completed a form of proxy, but in such circumstances, the proxy is not entitled to vote.

The quorum for the EGM is Unitholders, present (in person or by proxy) and entitled to vote, who hold not less than one-tenth of the Units in aggregate. If a quorum is not present within half an hour of the time appointed for the EGM it will be necessary to adjourn the EGM. In that event, it will stand adjourned to the same day in the next week at the same time and place or to such other time and place as the Board may determine. If at an adjourned EGM the quorum is not present within 30 minutes from the time appointed for holding that meeting, one Unitholder present in person or by proxy present at the meeting shall constitute a quorum.

The notice sets out the text of the resolution to be proposed at the EGM. This resolution will be proposed as an Extraordinary Resolution, meaning in order to be passed, it requires the support of seventy five per cent (75%) or more of the total number of votes cast in person or proxy.

Proxy forms to enable you to vote at the meeting are enclosed with this Circular at Appendix I. Please read the notes printed on the form which will assist you in completing and returning the form. A proxy form may be emailed in advance of the EGM to the company secretary c/o Niamh Fox (email: MFS-Dublin-MFDSecretaries@maples.com), or an original proxy form can be sent by post to MFD

Secretaries Limited at 32 Molesworth Street, Dublin 2, Ireland or to such other persons specified by the Manager.

E. Costs

The cost of implementing the foregoing changes, as well as the costs of filing documents with the Central Bank will be borne by the Manager.

F. Conclusion

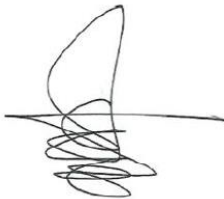
Where the resolutions are passed, the proposed amendments are expected to take effect on or around 19 September 2019. Where relevant, the proposed amendments shall also be reflected in the Prospectus subject to any further amendments as may be required by the Central Bank.

The Board consider that the proposed amendments are in the best interests of Unitholders. Accordingly, the Board recommend that you vote in favour of the resolutions set out in the notice of the EGM.

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

We thank you for your continuing support of the Trust.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Greg Thornton', with a horizontal line extending to the right across the middle of the signature.

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

Appendix I

NOTICE TO UNITHOLDERS OF

PRINCIPAL GLOBAL INVESTORS FUNDS (THE “TRUST”)

AND FORM OF PROXY OF UNITHOLDERS

NOTICE is hereby given that the Extraordinary General Meeting of the Trust will be held at 32 Molesworth Street, Dublin 2, Ireland on Thursday 19 September 2019 at 12.00 p.m. to approve the proposed amendments to the Trust Deed and Prospectus of the Trust as summarised in the Circular dated 22 August 2019, subject to any further changes required by the Central Bank.

And to transact any other business which may properly be brought before the meeting.

By Order of the Board

Niamh Fox
For and on behalf of
MFD Secretaries Limited

Registered Office:
32 Molesworth Street
Dublin 2

Dated this 22 August 2019

A Unitholder entitled to attend and vote may appoint a proxy to attend, speak and vote on his behalf. A proxy need not be a Unitholder of the Trust.

PRINCIPAL GLOBAL INVESTORS FUNDS (THE "TRUST")

FORM OF PROXY

Please complete the below sections in **BOLD TYPE**

I/We*

of

being a Unitholder/Unitholders* of the Trust referred to above **HEREBY APPOINT** the Chairman of the Meeting or Niamh Fox,

or failing him/her

as my/our* proxy to attend, speak and vote for me/us* on my/our* behalf at the Extraordinary General Meeting of the Trust to be held at 12.00p.m. on 19 September 2019 and at every adjournment thereof.

***DELETE AS APPROPRIATE**

Signature

Date

PLEASE INDICATE WITH AN 'X' IN THE SPACES BELOW HOW YOU WISH YOUR VOTE TO BE CAST

UNLESS OTHERWISE INDICATED THE PROXY WILL VOTE AS HE/SHE THINKS FIT.

<u>Extraordinary Resolution</u>	FOR	AGAINST
1. To approve the proposed amendments to the Trust Deed and Prospectus of the Trust as summarised in the Circular dated 22 August 2019, subject to any further changes required by the Central Bank.	<input type="checkbox"/>	<input type="checkbox"/>

Notes

1. You may appoint a proxy of your own choice by inserting the name of the person appointed as proxy (who need not be Unitholder) in the space provided.
2. **Please insert your name(s) and address in BOLD TYPE and sign and date the form.**
3. **Indicate by placing a cross in the appropriate box how you wish your votes to be cast in respect of each resolution. If no mark is made, your proxy may vote or abstain at his/her discretion. On any other business not specified in the Notice of Meeting and arising at the Meeting, the proxy will act at his or her discretion.**
4. If the appointer is a corporation, this form must be under the common seal or under the hand of some officer, attorney or other person authorised in writing.
5. In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated. In the event of more than one joint holder tendering votes, the vote of the Unitholder whose name first appears in the register of Unitholders will be accepted to the exclusion of all others.
6. To be valid, this form (and, if applicable, any power of attorney or other authority under which it is signed or a notarially certified copy thereof) must be completed and deposited at the registered office at **32 Molesworth Street, Dublin 2, Ireland** before the time fixed for holding the meeting by post or by email at MFS-Dublin-MFDSecretaries@maples.com for the attention of Niamh Fox.
7. If any amendments are made they should be initialled.
8. Completion and return of this form of proxy will not prevent you from attending and voting in person at the meeting if you so wish.