



Annual Report

2022



From our CEO

DAN HOUSTON

Chairman, President, and Chief Executive Officer
Principal Financial Group

Your decision to invest in Principal® is something I think about every day. It enables us to provide access to financial security for nearly 62 million customers.¹ We're helping them build a strong financial future while advancing the financial inclusion conversation around the globe. This is important work we are deeply passionate about.

In 2021, we outlined our strategic path forward—with a focus on higher growth businesses, a more capital efficient portfolio, and a commitment to return more capital to shareholders. This guided our successful execution in 2022. Amid a challenging macroeconomic environment, with rising inflation, foreign exchange headwinds, and market volatility, we made meaningful progress toward our goals. We continued to grow our market leadership in attractive segments, particularly small and midsize businesses (SMBs), delivering differentiated and often integrated solutions to meet their needs.

¹ As of Dec. 31, 2022

Relentless focus on our growth drivers

Our strategic review sharpened our focus on higher-growth businesses where we have a competitive advantage and identified areas that were becoming commoditized and no longer meeting our financial targets. In May 2022, we closed on transactions to reinsure two blocks of business: U.S. retail fixed annuity and universal life insurance with secondary guarantees. With that important step completed, we were able to go all in on our growth drivers: global asset management, retirement, and benefits and protection.

Expanded asset management capabilities

In October, we launched Principal Asset ManagementSM. Leveraging the strong brand equity of Principal, we’re highlighting our deep local knowledge and global investment capabilities in more than 80 markets serving institutional, retirement, retail, and wealth clients. The launch aligns with investments in our digital client experience and insights program as well as the development of new products and alternative investment capabilities, including model portfolios and direct lending.

In 2022, we continued to develop a broad array of products and solutions, including:

- **Strengthening our specialized investment capabilities.** The Principal Alternative Credit team doubled its direct lending committed capital in 2022, increasing its foothold in the middle market. Now in its third year of business, the direct lending team has closed transactions representing \$1.6 billion of committed capital.
- **Adding innovative offerings in global markets.** In 2022, we debuted a new Real Estate Investment Trust fund in Mexico. In Malaysia, a multi-year effort led to the launch of Principal RetireEasy funds, a target date fund to aid investors in long-term savings. Both were first of their kind offerings in their respective markets.
- **Broadening our capabilities across U.S. product platforms.** We continue to expand our offerings across multiple product vehicles that appeal to investors’

desire for more tax efficient and customizable solutions like exchange traded funds (ETFs), separately managed accounts (SMAs), model portfolios, and collective investment trusts (CITs).

This work helped Principal Asset Management deliver client growth and positive net cash flow in 2022. I’m excited about the formal integration of our asset management and Principal International businesses in 2023 as we expand the reach of our global and local investment capabilities and move closer to our clients.

Holistic retirement solutions

We continue as a top three retirement provider² in the U.S. and one of only a few to offer a comprehensive set of retirement solutions—from defined contribution to defined benefit, non-qualified deferred compensation, pension risk transfer, stock plans and equity compensation, trust and custody solutions, and investment management.

Looking ahead, market expansion will help drive growth:

- 401(k)s are incredibly effective at bringing more people into the retirement system. By automating key features like enrollment and deferral increases, we make it easier for people to save for retirement. Over the last year, employment growth and wage inflation—as well as increases in the number of participants deferring, their deferral rates, and company matches—drove a **26% increase in recurring deposits**. This increase was further supported by the completion of the Institutional Retirement and Trust acquisition.
- We ended the year with **positive net cash flow of \$2.2 billion for SMBs in retirement** and participant growth of 4%.
- The passing of SECURE 2.0 helps to improve long-term savings and financial security for more Americans. As the legislation takes effect over the next few years, we’re **well positioned to act on new opportunities**, particularly those with SMBs and startup plans.
- The current macro environment, with rising rates, has increased interest in bank and fixed income solutions. With improved funding levels in pension plans, we see robust opportunity in the pension risk transfer market.

In 2022, we helped 68 plan sponsors and nearly 31,000 participants through the **risk transfer of \$1.9 billion in pension obligations**.

Targeted U.S. benefits and protection solutions

SMBs employ more than 46% of American workers,³ yet they’ve historically been underserved by the industry. Our longstanding commitment to SMBs, expertise within the segment, and market leadership in workplace benefits are largely unmatched.

To weather the tight labor market throughout 2022, SMBs prioritized wages and maintained or expanded benefits to attract and retain employees—and it’s shown in our results.

- **Over half of our 11% year-over-year growth in Specialty Benefits premium and fees was driven by net new business**, as we balanced winning market share from our competitors with deepening our existing customer relationships.
- After pivoting to focus on the business market with life insurance, **business market sales hit a record level, up 73% year over year**.
- Customer centricity remains a key focus. Educating and equipping employers with actionable resources helps them drive retention. We’re headed in the right direction, as evidenced by our customer feedback and earning the 2022 DALBAR Communications Seal of Excellence, **ranking No. 1 for our employer web capabilities and experience**.

Mining additional value where our businesses intersect

One of the differentiators that drives our success is the synergistic value of our integrated business portfolio. We’re capitalizing on the intersections of our businesses to drive additional growth and value.

- **New capabilities.** In 2022, our asset management and retirement businesses worked together to bring new and timely solutions to customers. For instance:

- Pension management and de-risking is a pressing need for employers of all sizes. In 2022, we hired a head of liability-driven investing solutions to further build out our capabilities, driven by our industry-leading pension servicing abilities and deep investment and risk management expertise with pension clients.
- Within variable annuities, we launched new buffer fund investment options to help investors accumulate retirement savings on the upside while buffering against market downturns.

- **Better experience.** For our SMB customers, we’re in the middle of a multi-year digital transformation to create a combined, seamless digital account experience that reflects their full range of products with Principal. We’ll continue adding new features, enabling customers with a constantly improving set of educational, budgeting, and planning resources.
- **Deepening relationships.** Competitive offerings are driving customers to place more business with Principal. For example, we saw an increase in the percentage of Principal-managed assets within new retirement sales in 2022—with growth across all market segments. And business owners continue to tap into both our retirement and insurance expertise. We saw record non-qualified Company Owned Life Insurance sales in 2022 with approximately half from customers who also have a Principal retirement plan.

Successes like these strengthen and deepen our relationship with customers. Our investment in technology and data integration will further enhance the efficiency and relevance of our customer interactions.

“We’re capitalizing on the intersections of our businesses to drive additional growth and value.”

Infusing sustainability throughout our business

Our strategy is grounded in our purpose. We are united and inspired by our belief that everyone deserves access to financial security.

- **We launched the Global Financial Inclusion Index** in 2022 to help us advance the conversation about barriers to greater financial inclusion and bring forward more solutions in the markets we serve.
- **We expanded our commitment to sustainable investing** through thematic offerings like our Global Sustainable Listed Infrastructure Fund and Global Sustainable Food Strategy.
- **We grew our support for SMBs owned by women and people of color.** By the end of 2025, we're working to double the number of diverse SMBs we support through product access, capital access programs, community development, and financial education.

Purpose-led actions helped Principal rise to No. 7 on *Barron's* 2022 list of Most Sustainable Companies. For a detailed look at how we weave sustainability throughout our organization to deliver on our public commitments, please see our sustainability report, updated annually at principal.com/sustainability.

A culture of growth

Our employees are key to executing our strategy. In 2022, we launched automation citizen developer programs to help employees across the organization improve customer experience and transform our business for the future. In a July 2022 employee survey, 86% of respondents said they continuously learn and try new things—a testament to our focus on learning and experimentation.

86% of respondents said they continuously learn and try new things—a testament to our focus on innovation and experimentation.

—July 2022 employee survey

In that same survey, employees gave consistently strong scores for inclusion, pride in Principal, and their belief that we do the right thing—all coming in at 82%. While employee satisfaction is the best measure of a healthy workplace, we're proud that our commitment to employees is continually recognized by third parties. See notable 2022 workplace recognitions on page 7 of this report.

Delivering results for you

Despite volatile markets and uncertain macro conditions, Principal continued to deliver consistently strong results, including:

- **Non-GAAP operating earnings for the year totaled \$1.7 billion**, or \$6.66 per diluted share.⁴
- **Total company net cash flow for the year was \$3.9 billion**, including \$4.4 billion of Principal Global Investors managed net cash flow. This was a very strong result during a period of outflows across the industry.
- We ended 2022 with **\$635 billion of total company assets under management** (AUM). Our assets under administration (AUA) totaled \$1.5 trillion at year-end.

Importantly, our three-year total shareholder return is 73%, higher than our peers in both insurance (33%) and asset management (21%).⁵ And we returned \$2.3 billion to shareholders during the year, delivering on our commitment to right-size and return excess capital.

Maximizing your investment

I'm proud of the ways we've maximized your investment in Principal throughout 2022. We have demonstrated strong momentum in a challenging period, a direct result of aligning our core strengths with customer and market needs.

For 143 years, we've proven our resilience—meeting customers' needs and delivering long-term growth in all types of environments. Principal has a proven track record of powering through difficult times and seizing opportunities where we're uniquely positioned to win. We look forward to what's ahead.

I greatly value your confidence in Principal and your belief in our ability to deliver on our promises.

Dan Houston
Chairman, President, and CEO
Principal Financial Group

Notable recognition of our workplace in 2022

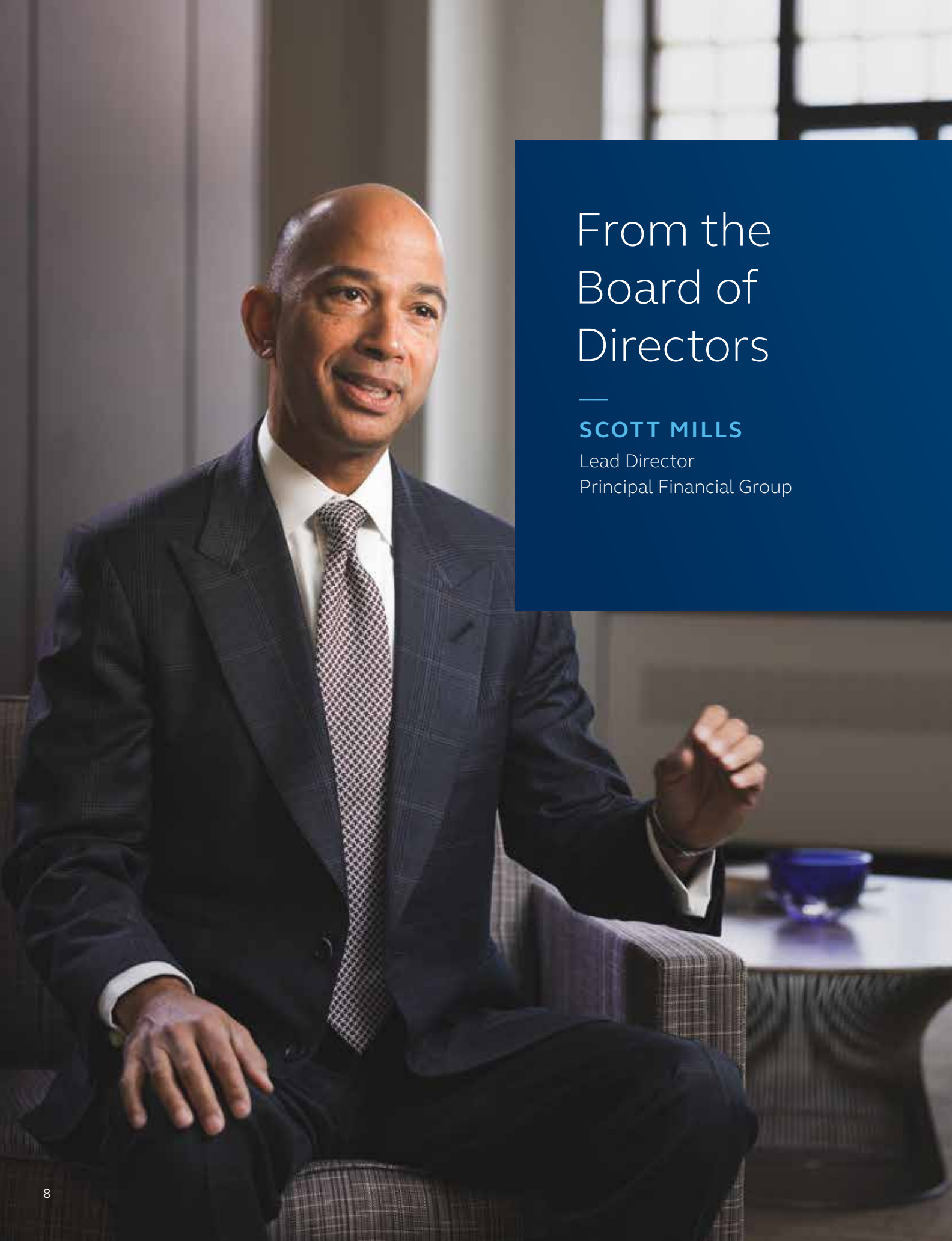
Our 11th consecutive year as one of Pensions & Investments' Best Places to Work in Money Management, one of only five firms to appear on the list each year since it began.

Our 21st year as one of the Best Places to Work in IT, according to Foundry's Computerworld, ranking an impressive No. 18.

Our 22nd year as one of Seramount's Top Companies for Executive Women, earning us a Seramount Hall of Fame designation.

Our highest ranking yet on Forbes' list of America's Best Employers for Diversity, appearing at No. 56 of 500 companies.

⁴This is a non-GAAP financial measure; see reconciliation on pages 16-17.
⁵3-year TSR for PFG stock as of 12/31/2022. Insurance peers include AMP, EQH, LNC, MET, PRU, UNM, VOYA. Asset Management peers include AMG, BK, BEN, IVZ, STT, TROW.



From the Board of Directors

—
SCOTT MILLS

Lead Director
Principal Financial Group

Last year I shared details of the strategic review that charted a clear path forward for Principal. You'll recall that one of our key objectives was to drive even greater shareholder value. As you'll see in this report, 2022 was a year of heads down execution—delivering on the promises we made. The company and its executive team operated with focus and discipline. And I'm grateful to our directors for their leadership and oversight.

Coming out of the strategic review, Principal exited two lines of business that no

longer met our financial targets and completed reinsurance transactions in May. Moving ahead, the focus is on the company's higher growth, more capital efficient lines of business: global asset management, retirement, and benefits and protection.

That work is paying off, as evidenced by our 2022 results, delivered in a challenging environment. It's paying off for our shareholders, too—increasing total shareholder return and excess capital returned via common stock dividends and share repurchases.

Board focus and strength

The Board provides strategic oversight for Principal, ensuring the company is delivering against its commitments and targets. The extensive time we spent together during the 2021 strategic review has served our Board well. The rapport we built and the rigor we employed continued to strengthen this past year. I appreciate the camaraderie, candor, and engagement within the Board. This is a team deeply committed to their work and to each of you.

One of my key responsibilities as lead director is to build and maintain a strong bench of talent for Board refreshment. Our Nominating and Governance Committee actively seeks complementary skills and perspectives, representing different backgrounds, industries, and expertise.

As of Dec. 31, 2022, 62% of the members on our board of directors are diverse in gender, race, or national origin.

Three of our four committees are chaired by women, one of whom is a person of color. Additionally, 54% of our directors have joined the Board within the past five years. Our average tenure is 6.5 years.

In 2022, we added one new director—H. Elizabeth (Liz) Mitchell. Liz is the former president and chief executive officer of Renaissance Reinsurance U.S. Her background in managing diversified operations and driving excellence across a portfolio is a value-add to the Board and the executive team.

“2022 was a year of heads down execution—delivering on the promises we made.”

Good business done the right way

Sustainability continues to be a key area of focus for the company in serving its customers and investors. Through proprietary research, such as the Principal Global Financial Inclusion Index, Principal Financial Well-Being Index, and Principal Super Savers Survey, we are helping identify factors and behaviors that support or derail financial security and financial inclusion. The ensuing conversations can help those in positions of authority collaborate on solutions intended to provide more people with economic stability today and long into the future.

The company’s continued commitment to sustainable investing includes releasing its first Sustainable Financing Report and adding sustainable investment options in markets around the world. These are great next steps in what is becoming an area of measured expertise for Principal.

Aligned to the company’s purpose, Principal® Foundation continued to focus its philanthropic investments on removing barriers to and creating opportunities for people working toward financial security. Principal Foundation contributed more than \$17 million this year to help meet basic needs, expand access to arts and culture, and support financial empowerment and development of entrepreneurs and small businesses.

Delivering for you

In looking at the 2022 year-end results, I want to compliment the Principal management team and employees across the organization. The results are indicative of what I’ve come to appreciate about the company—their unwavering pledge to deliver on commitments.

This includes creating long-term shareholder value, which was evident in 2022 through strong total

shareholder return and returning \$2.3 billion of capital to shareholders. Also notable: The PFG common stock price hit a record high in November and ended the year up 16% over year-end 2021.

As someone charged with maximizing your investment in Principal, I’m gratified that 2022 proved to be such a rewarding year for Principal and for our shareholders. These are strong results, the fruition of substantial work done over the last two years despite a challenging macro environment.

“I’m gratified that 2022 proved to be such a rewarding year for Principal and for our shareholders.”

Looking ahead

We’ll help ensure the company continues to pursue attractive growth opportunities and leverage its competitive advantages. Doing so will help generate returns in excess of cost of capital and enable Principal to return more of that excess capital to you.

I’ll echo Dan in noting that Principal is now an even more resilient company, well positioned to withstand a variety of economic conditions and deliver long-term growth. This is good news for you and all company stakeholders.

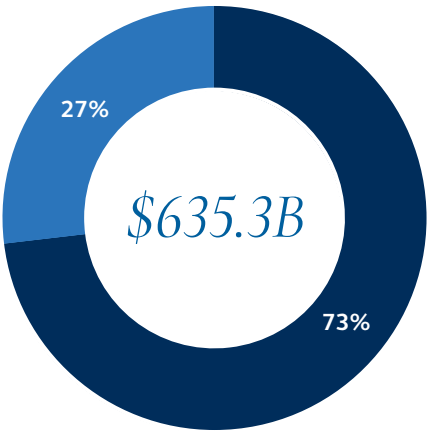
Scott Mills

Scott Mills
Lead Director
Principal Financial Group

Financial highlights
2022 financial results

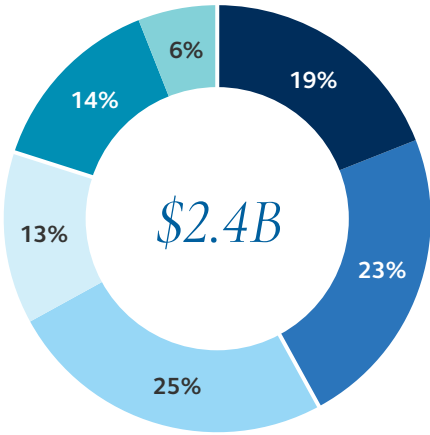
ASSETS UNDER MANAGEMENT⁶
(as of Dec. 31, 2022)

- Principal Global Investors
- Principal International and other entities of Principal Financial Group



NON-GAAP PRE-TAX OPERATING EARNINGS⁷
(as of Dec. 31, 2022)

- Retirement and Income Solutions (42%)
 - RIS-Fee
 - RIS-Spread
- Principal Asset Management (38%)
 - Principal Global Investors
 - Principal International
- Benefits and Protection (20%)
 - Specialty Benefits
 - Individual Life



⁶ Assets under management by asset manager
⁷ Trailing 12 months, excludes corporate and impacts from actuarial assumption review
⁸ Non-GAAP operating earnings per diluted share
⁹ Non-GAAP operating return on average equity, excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment

Long-term financial targets

ANNUAL GROWTH IN EARNINGS PER SHARE⁸
9-12%

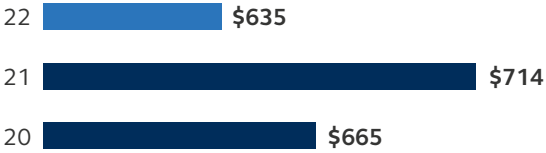
RETURN ON EQUITY⁹
14-16%

FREE CAPITAL FLOW CONVERSION
75-85%

In 2021, we outlined our strategic path forward with a focus on a higher growth, more capital efficient portfolio and a commitment to return more capital to shareholders. This guided our successful execution in 2022; despite a challenging macroeconomic environment, we made meaningful progress toward our goals. We delivered on our strengthened capital deployment strategy and our commitment to right-size and return the excess capital we had built up during the pandemic.

TOTAL ASSETS UNDER MANAGEMENT (AUM)

(in billions)



NON-GAAP OPERATING EARNINGS¹⁰

(in millions)



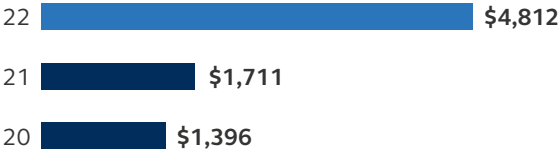
NON-GAAP OPERATING EARNINGS PER DILUTED COMMON SHARE¹⁰

(in dollars)



NET INCOME ATTRIBUTABLE TO PRINCIPAL FINANCIAL GROUP

(in millions)



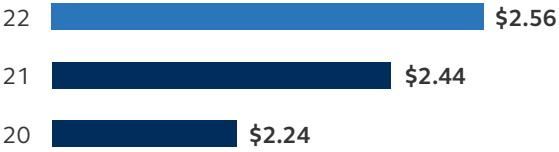
TOTAL REVENUE

(in millions)



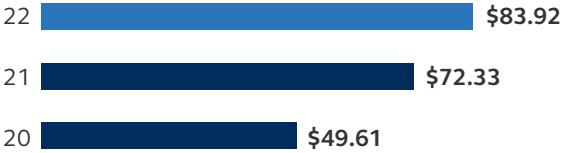
DIVIDENDS DECLARED PER COMMON SHARE

(in dollars)



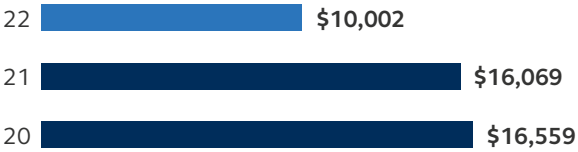
YEAR-END CLOSING PFG COMMON STOCK PRICE

(in dollars)



TOTAL STOCKHOLDERS' EQUITY ATTRIBUTABLE TO PRINCIPAL FINANCIAL GROUP

(in millions)



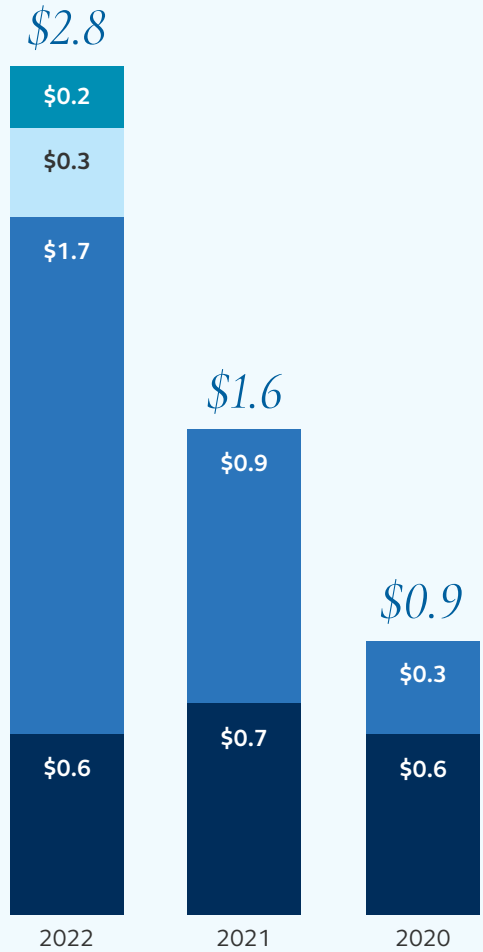
NON-GAAP OPERATING EARNINGS RETURN ON EQUITY (ROE)

(excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment)^{10,11}



CAPITAL DEPLOYMENTS

(in billions)



- Common stock dividends paid
- Share repurchases
- Debt retirement
- M&A

¹⁰This is a non-GAAP financial measure. See non-GAAP financial measure reconciliations on pages 16-17.

¹¹Non-GAAP operating earnings return on equity equals trailing 12 months non-GAAP operating earnings divided by average stockholders' equity available to common stockholders excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment.

Non-GAAP financial measure reconciliations

(in millions, except as indicated)

	For the year ended Dec. 31		
	2022	2021	2020
NET INCOME ATTRIBUTABLE TO PRINCIPAL FINANCIAL GROUP			
Net income attributable to Principal Financial Group	\$4,811.6	\$1,710.6	\$1,395.8
Net realized capital (gains) losses, as adjusted ¹¹	\$193.3	\$137.0	\$(29.4)
(Income) from exited business	(3,304.0)	-	-
Non-GAAP operating earnings	\$1,700.9	\$1,847.6	\$1,366.4
¹¹ This is a non-GAAP financial measure. See reconciliation below.			
NET REALIZED CAPITAL GAINS (LOSSES)			
GAAP net realized capital gains (losses)	\$(258.4)	\$2.5	\$302.6
Recognition of front-end fee revenues	(4.7)	(2.9)	11.4
Market value adjustments to fee revenues	0.7	(0.6)	(1.6)
Net realized capital gains (losses) related to equity method investments	(15.0)	(24.0)	(1.5)
Derivative and hedging-related revenue adjustments	(126.3)	(160.3)	(132.9)
Sponsored investment fund adjustments	22.2	21.3	17.3
Amortization of deferred acquisition costs	6.5	(0.2)	(0.5)
Capital gains distributed—operating expenses	102.9	(69.4)	(41.7)
Amortization of other actuarial balances	(4.0)	11.3	(26.3)
Market value adjustments of embedded derivatives	(44.1)	79.8	(55.0)
Capital gains distributed—cost of interest credited	33.5	(37.3)	(8.2)
Net realized capital gains (losses) tax adjustments	64.2	56.2	(28.2)
Net realized capital gains (losses) attributable to noncontrolling interest, after-tax	29.2	(13.4)	(6.0)
Total net realized capital gains (losses) after-tax adjustments	65.1	(139.5)	(273.2)
Net realized capital gains (losses), as adjusted	\$(193.3)	\$(137.0)	\$29.4

	For the year ended Dec. 31		
	2022	2021	2020
DILUTED EARNINGS PER COMMON SHARE			
Net income	\$18.85	\$6.27	\$5.05
Net realized capital (gains) losses, as adjusted	0.76	0.50	(0.11)
(Income) from exited business	(12.95)	-	-
Non-GAAP operating earnings	\$6.66	\$6.77	\$4.94
STOCKHOLDERS' EQUITY			
Stockholders' equity	\$10,042.8	\$16,125.8	\$16,617.3
Noncontrolling interest	(41.1)	(56.4)	(58.4)
Stockholders' equity attributable to Principal Financial Group, Inc.	10,001.7	16,069.4	16,558.9
Net unrealized capital (gains) losses	5,357.6	(3,519.2)	(4,156.5)
Net unrecognized postretirement benefit obligation	254.1	344.7	460.5
Cumulative change in fair value of funds withheld embedded derivative	(2,885.7)	-	-
Stockholders' equity, excluding AOCI other than foreign currency translation adjustment, available to common stockholders	\$12,727.7	\$12,894.9	\$12,862.9
NET INCOME ROE AVAILABLE TO COMMON STOCKHOLDERS (INCLUDING AOCI)			
Net income ROE available to common stockholders (including AOCI)	36.9%	10.5%	9.0%
Cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	0.7%	2.8%	2.1%
Net income ROE available to common stockholders (excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment)	37.6%	13.3%	11.1%
Net realized capital (gains) losses	1.5%	1.0%	-0.2%
(Income) loss from exited business	-25.8%	0.0%	0.0%
Non-GAAP operating earnings ROE (excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment)	13.3%	14.3%	10.9%

Forward-looking and cautionary statements:

Certain statements made by the company which are not historical facts may be considered forward-looking statements, including, without limitation, statements as to non-GAAP operating earnings, net income attributable to PFG, net cash flow, realized and unrealized gains and losses, capital and liquidity positions, sales and earnings trends, and management’s beliefs, expectations, goals and opinions. The company does not undertake to update these statements, which are based on a number of assumptions concerning future conditions that may ultimately prove to be inaccurate. Future events and their effects on the company may not be those anticipated, and actual results may differ materially from the results anticipated in these forward-looking statements. The risks, uncertainties and factors that could cause or contribute to such material differences are discussed in the company’s annual report on Form 10-K for the year ended Dec. 31, 2022, filed by the company with the U.S. Securities and Exchange Commission, as updated or supplemented from time to time in subsequent filings. These risks and uncertainties include, without limitation: adverse capital and credit market conditions may significantly affect the company’s ability to meet liquidity needs, access to capital and cost of capital; conditions in the global capital markets and the economy generally; volatility or declines in the equity, bond or real estate markets; changes in interest rates or credit spreads or a prolonged low interest rate environment; the elimination of the London Inter-Bank Offered Rate (“LIBOR”); the company’s investment portfolio is subject to several risks that may diminish the value of its invested assets and the investment returns credited to customers; the company’s valuation of investments and the determination of the amount of allowances and impairments taken on such investments may include methodologies, estimations and assumptions that are subject to differing interpretations; any impairments of or valuation allowances against the company’s deferred tax assets; the company’s actual experience for insurance and annuity products could differ significantly from its pricing and reserving assumptions; the pattern of amortizing the company’s DAC asset and other actuarial balances on its universal life-type insurance contracts, participating life insurance policies and certain investment contracts may change; changes in laws, regulations or accounting standards; the company may not be able to protect its intellectual property and may be subject to infringement claims; the company’s ability to pay stockholder dividends, make share repurchases and meet its obligations may be constrained by the limitations on dividends or other distributions Iowa insurance laws impose on Principal Life; litigation and regulatory investigations; from time to time the company may become subject to tax audits, tax litigation or similar proceedings, and as a result it may owe additional taxes, interest and penalties in amounts that may be material; applicable laws and the company’s certificate of incorporation and by-laws may discourage takeovers and business combinations that some stockholders might consider in their best interests; competition, including from companies that may have greater financial resources, broader arrays of products, higher ratings and stronger financial performance; technological and societal changes may disrupt the company’s business model and impair its ability to retain existing customers, attract new customers and maintain its profitability; damage to the company’s reputation; a downgrade in the company’s financial strength or credit ratings; client terminations, withdrawals or changes in investor preferences; the company’s hedging or risk management strategies prove ineffective or insufficient; inability to attract, develop and retain qualified employees and sales representatives and develop new distribution sources; an interruption in information technology, infrastructure or other internal or external systems used for business operations, or a failure to maintain the confidentiality, integrity or availability of data residing on such systems; international business risks including changes to mandatory pension schemes; risks arising from fraudulent activities; risks arising from participation in joint ventures; the company may need to fund deficiencies in its “Closed Block” assets; a pandemic, terrorist attack, military action or other catastrophic event; the company’s reinsurers could default on their obligations or increase their rates; risks arising from acquisitions of businesses; risks related to existing reinsurance arrangements, including counterparty risk, yearly renewable term mortality reinsurance rate increases, and recapture risk; loss of key vendor relationships or failure of a vendor to protect information of our customers or employees; the company’s enterprise risk management framework may not be fully effective in identifying or mitigating all of the risks to which the company is exposed; and global climate change.

Use of Non-GAAP financial measures:

The company uses a number of non-GAAP financial measures that management believes are useful to investors because they illustrate the performance of normal, ongoing operations, which is important in understanding and evaluating the company’s financial condition and results of operations. They are not, however, a substitute for U.S. GAAP financial measures. Therefore, the company has provided reconciliations of the non-GAAP measures to the most directly comparable U.S. GAAP measure at the end of the release. The company adjusts U.S. GAAP measures for items not directly related to ongoing operations. However, it is possible these adjusting items have occurred in the past and could recur in future reporting periods. Management also uses non-GAAP measures for goal setting, as a basis for determining employee and senior management awards and compensation and evaluating performance on a basis comparable to that used by investors and securities analysts.

Integration of environmental, social and governance (ESG) factors is qualitative and subjective by nature. There is no guarantee that the criteria used, or judgment exercised, will reflect the beliefs or values of any particular investor. There is no assurance that any strategy or integration of ESG factors will be successful or profitable.

Global Financial Inclusion Index is a proprietary model output based upon certain assumptions that may change, are not guaranteed and should not be relied upon as a significant basis for an investment decision.

Insurance products issued by Principal National Life Insurance Co (except in NY) and Principal Life Insurance Company®. Plan administrative services offered by Principal Life. Principal Funds, Inc. is distributed by Principal Funds Distributor, Inc. Securities offered through Principal Securities, Inc., member SIPC and/or independent broker/dealers. Referenced companies are members of the Principal Financial Group®, Des Moines, IA 50392.

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Des Moines, Iowa 50392

[principal.com](https://www.principal.com)

PFG | Nasdaq Listed

Common stock of the Principal Financial Group, Inc. is traded on Nasdaq under the ticker symbol "PFG."