Principal Asset Management[SM]

Principal Asset Allocation – A Leader in Global Target Date Implementation

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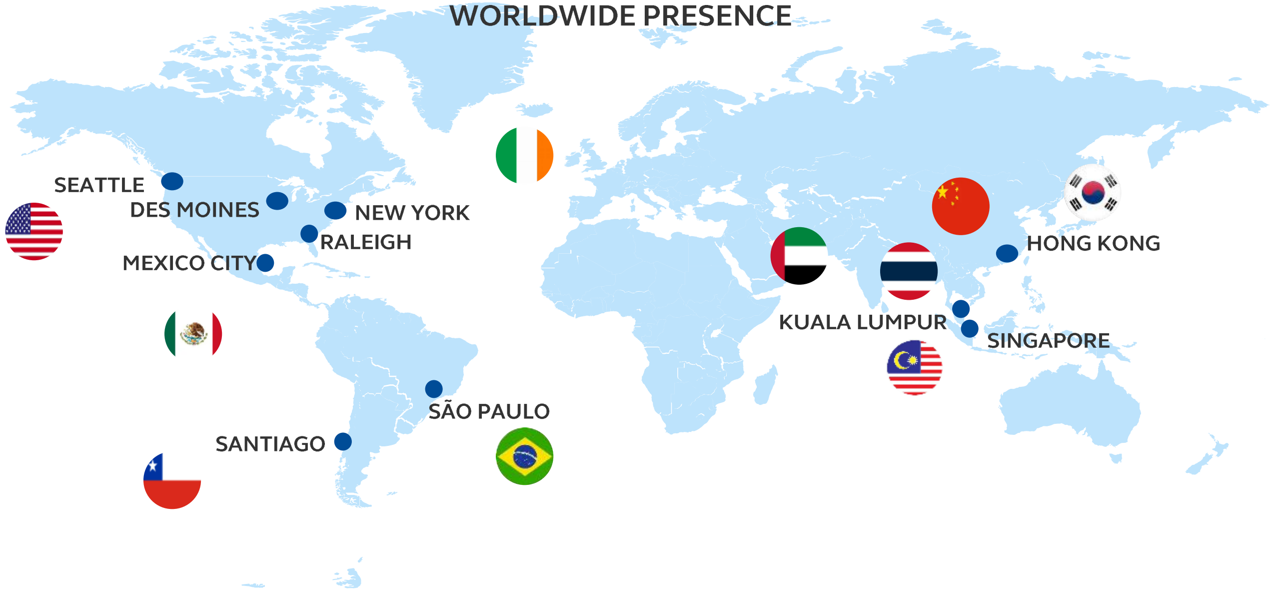
Principal Asset Allocation

WHO WE ARE
An investment team within Principal Asset Management and manager of global multi-asset investment strategies.

WHAT WE DO
We construct and manage multi-asset investment strategies that deliver risk-adjusted performance to meet our clients' needs

WHO WE SERVE
Retirement, institutional, and individual investors through various distribution relationships around the globe.

WORLDWIDE PRESENCE



As of August 31, 2025. See important information regarding AUM description.
Assets provided above include assets under advisement and assets under management and are shown in USD.

$175.5 BILLION in assets under management

$112.9 BILLION in target date strategy assets globally

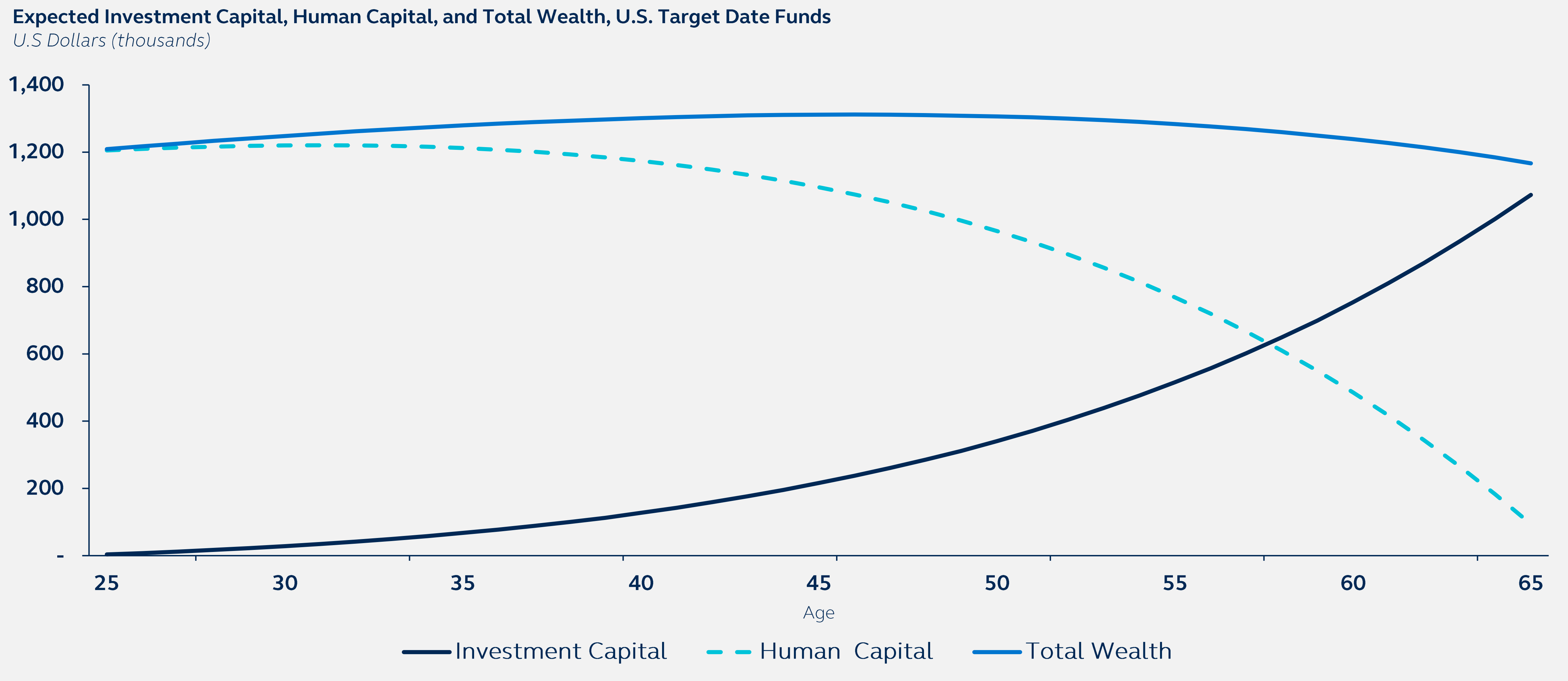
93 dedicated investment professionals

Average of **12 YEARS** investment experience

7 YEARS average firm tenure

Target Date - the goal is to replace income in retirement

Human Capital vs Invested Capital



Source: Principal Asset Allocation, June 2025.

Global best practices for target date

A repeatable process to provide income in retirement

Define investable universe	Design informed glide path	Construct portfolios	Actively manage allocations
• Examine the behavior and suitability of each asset class • Assess capital market forecasts • Consider liquidity, trading costs • Regulations • Other constraints	• Analyze investor demographics, economics, and behavior • Establish strategic target weights for each asset class • Evaluate the efficacy of glide path periodically	• Optimize asset classes based on dynamic market opportunities • Investment selection and oversight	• Dynamically position portfolios to pursue tactical returns • Monitor rebalancing ranges

The investment manager's investment philosophy and strategy may not perform as intended and could result in a loss or gain.

Glidepath risk dominates the retirement investment outcome

Smart design considers participant behavior and multiple types of risk

SHORTFALL RISK

- The risk of not having enough savings to last through retirement is a prominent concern globally today.
- Investors may not have saved enough to maintain their current standard of living in retirement.

LONGEVITY RISK

- The risk of an individual outliving their savings, from either a savings depletion or from living longer than expected.
- Longevity and spending patterns play a role.

INFLATION RISK

- The risk of reduced purchasing power due to rising price levels, subsequently reducing one's standard of living
- Investors risk not being able to purchase as much as expected with their savings.

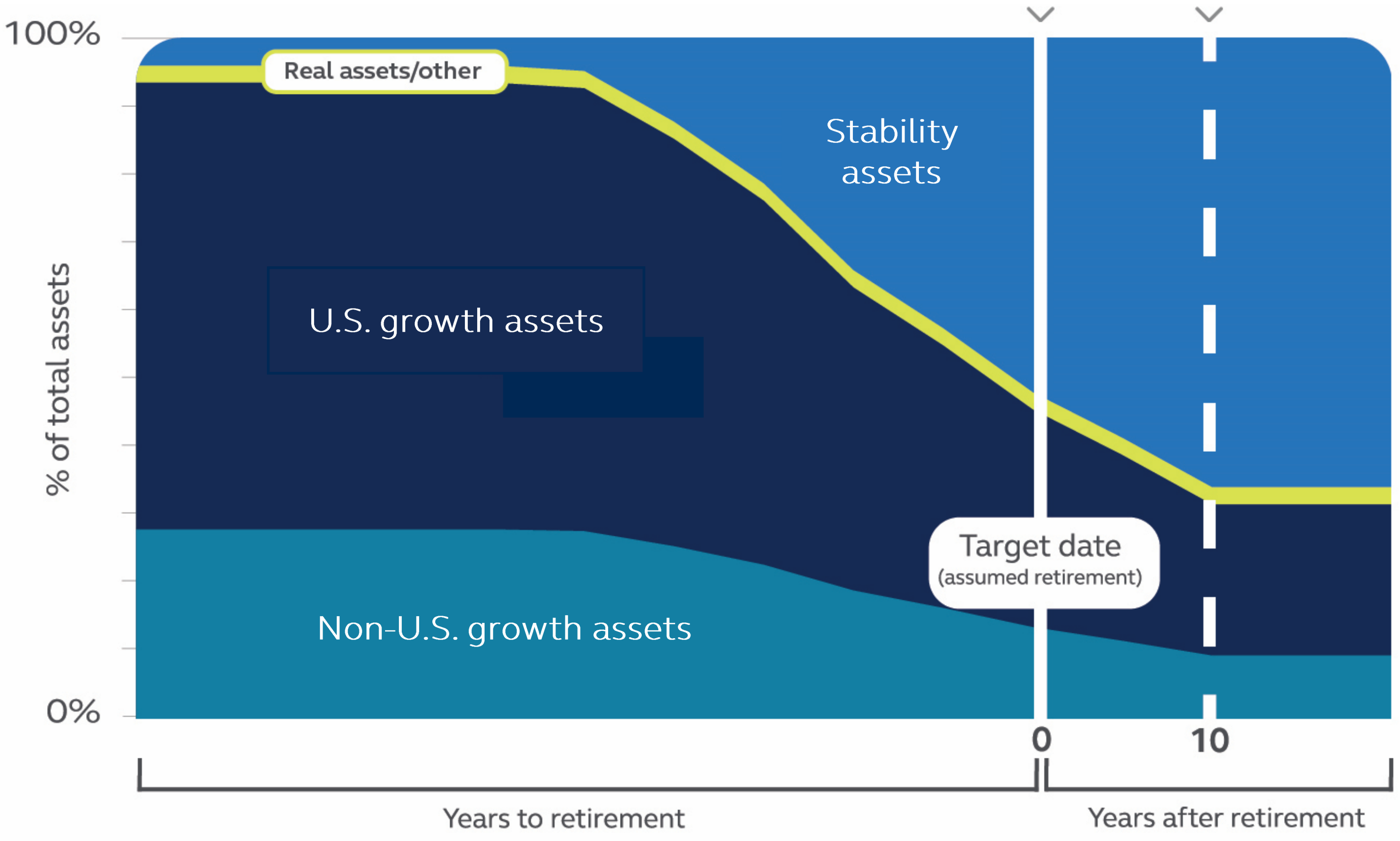
ABANDONMENT RISK

- Market draw downs impact portfolios, and they also impact investor behavior.
- Our research shows participants tend to abandon their investments when they feel a negative experience too severe.
- Sequential losses and return clustering both effect abandonment risk probability.

Target date simplifies long term risk management

Individuals typically haven't managed risk and asset allocation well

U.S. target date glide path

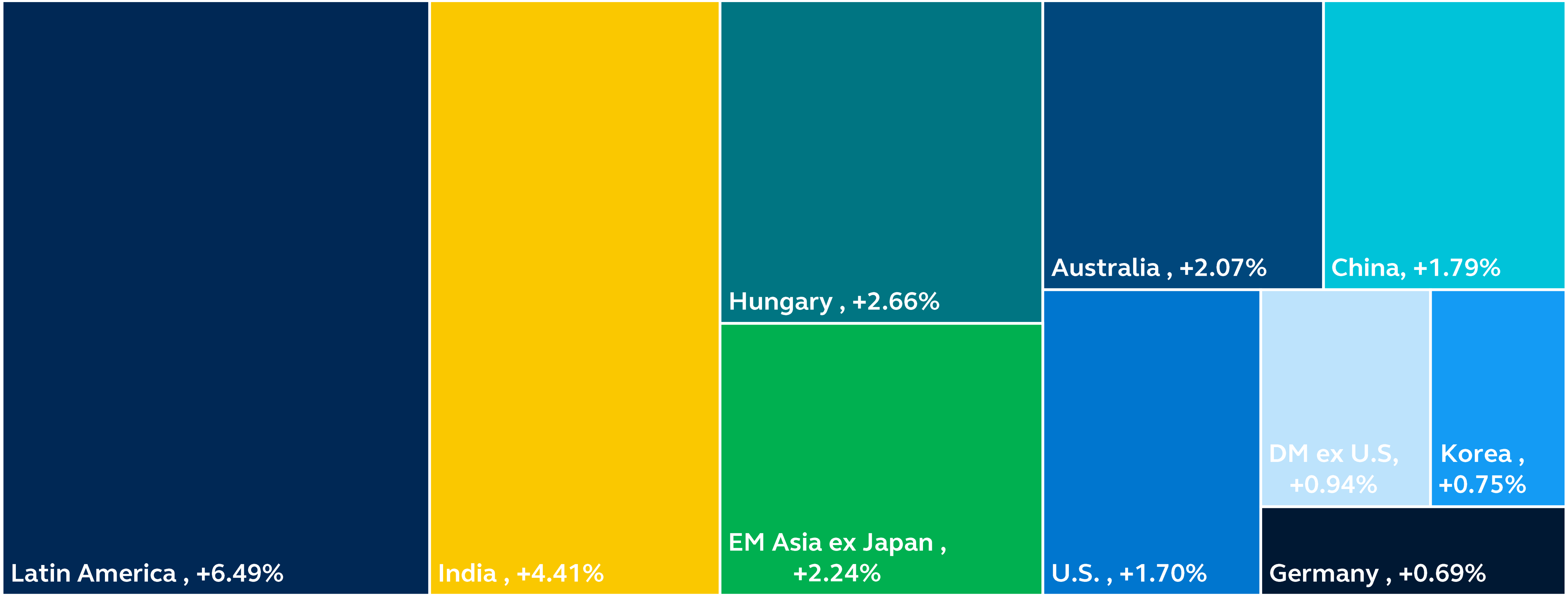


- Multifundos (Target Risk) perform well, but do investors really know their risk appetites?
- Worldwide, there is growing acceptance of target date as an effective retirement strategy for the average saver.
- The simplicity of target date includes a key feature: it eliminates the risk appetite question.
- The rise in popularity of target date funds over the last 20 years has coincided with a golden age in U.S. equity investing.

For illustrative purposes only.

Latin America is a world leader in high real interest rates

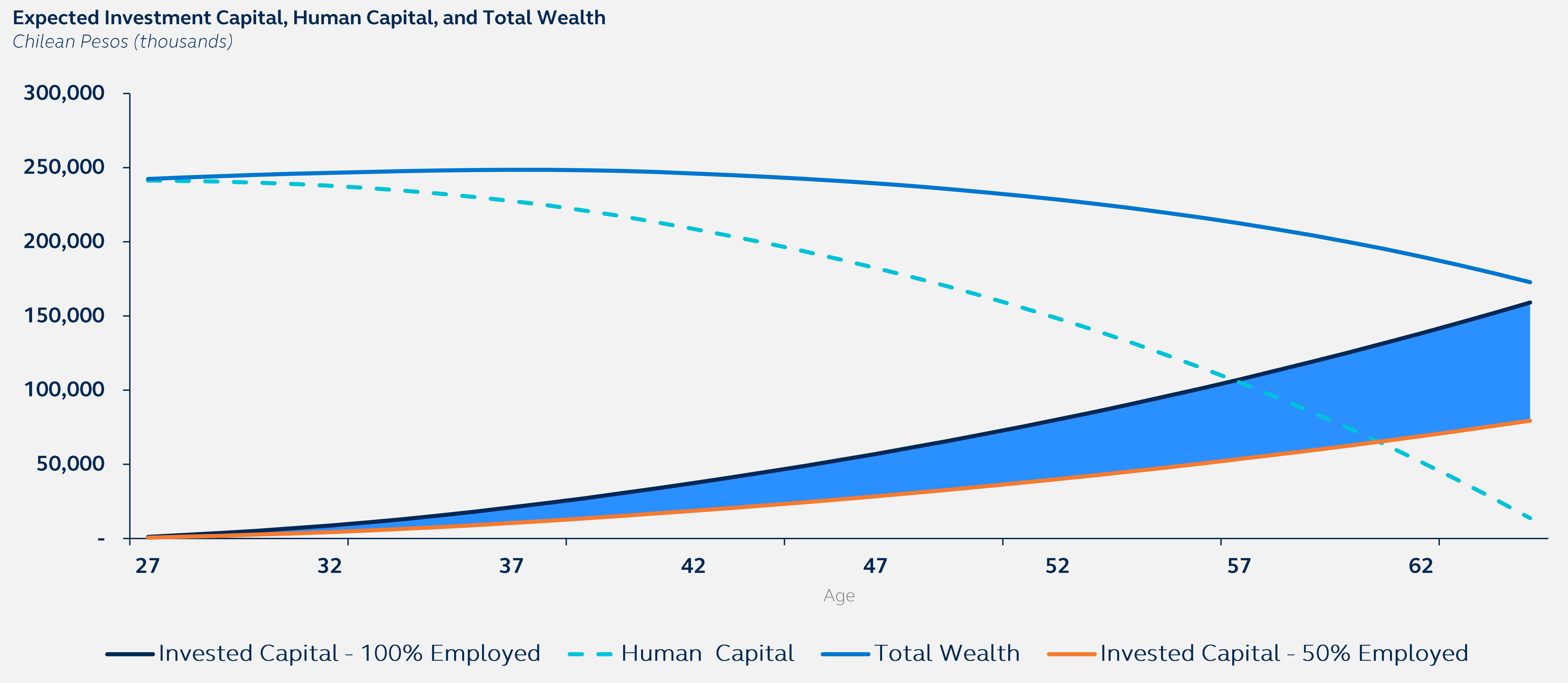
Target Date portfolio impact: lower levels of required risk, lower levels of growth assets



As of August 31, 2025. Source: Bloomberg. The Latin America category includes a GDP weighted average of the 10yr real rates for Brazil, Mexico, and Chile. The EM Asia ex Japan category includes a GDP weighted average of the 10yr real rates for China, Hong Kong SAR, Singapore, Malaysia, Thailand, South Korea, Taiwan, Philippines, Indonesia. The DM ex U.S category includes a GDP weighted average of the 10yr real rates for the United Kingdom, Germany, Italy, France , Canada, Japan, Sweden, Norway, Switzerland, Australia.

Each Latin American country is unique: low savings rates are ubiquitous

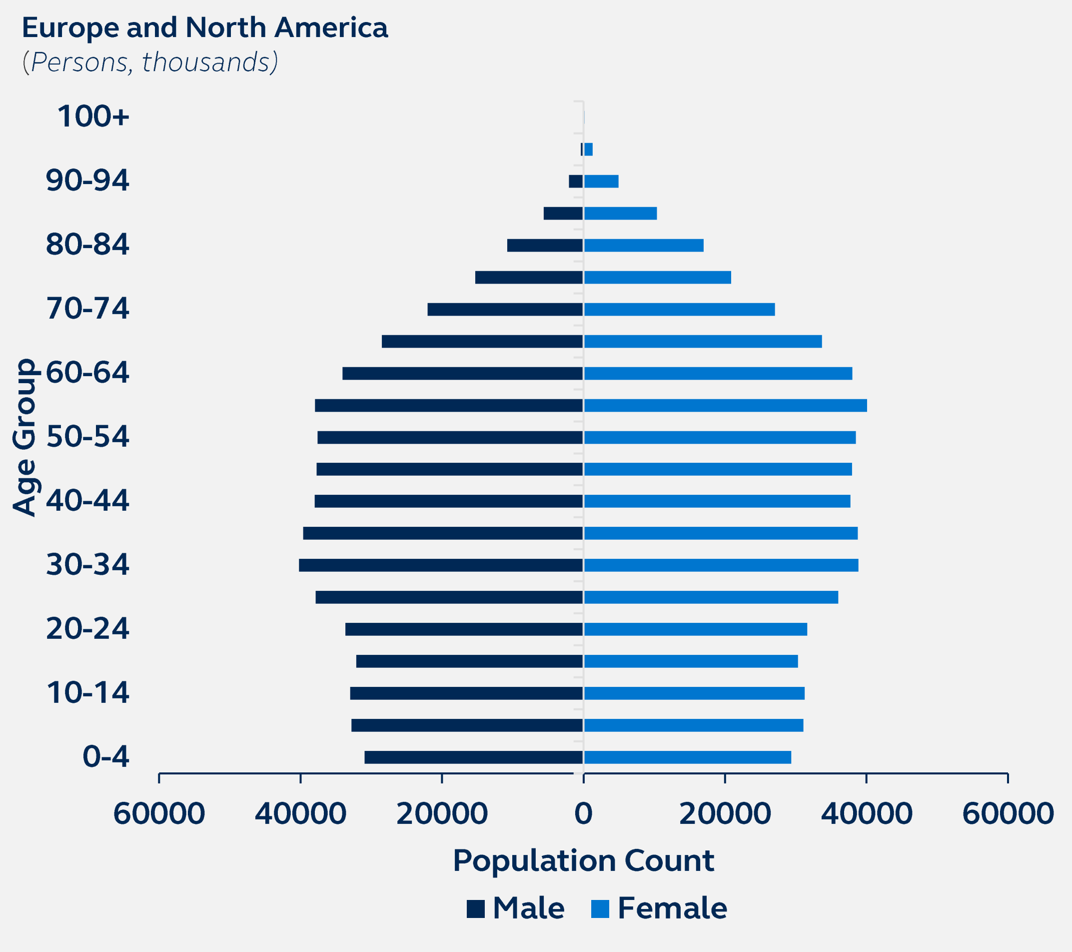
Target Date portfolio impact: higher levels of required return, higher levels of private assets



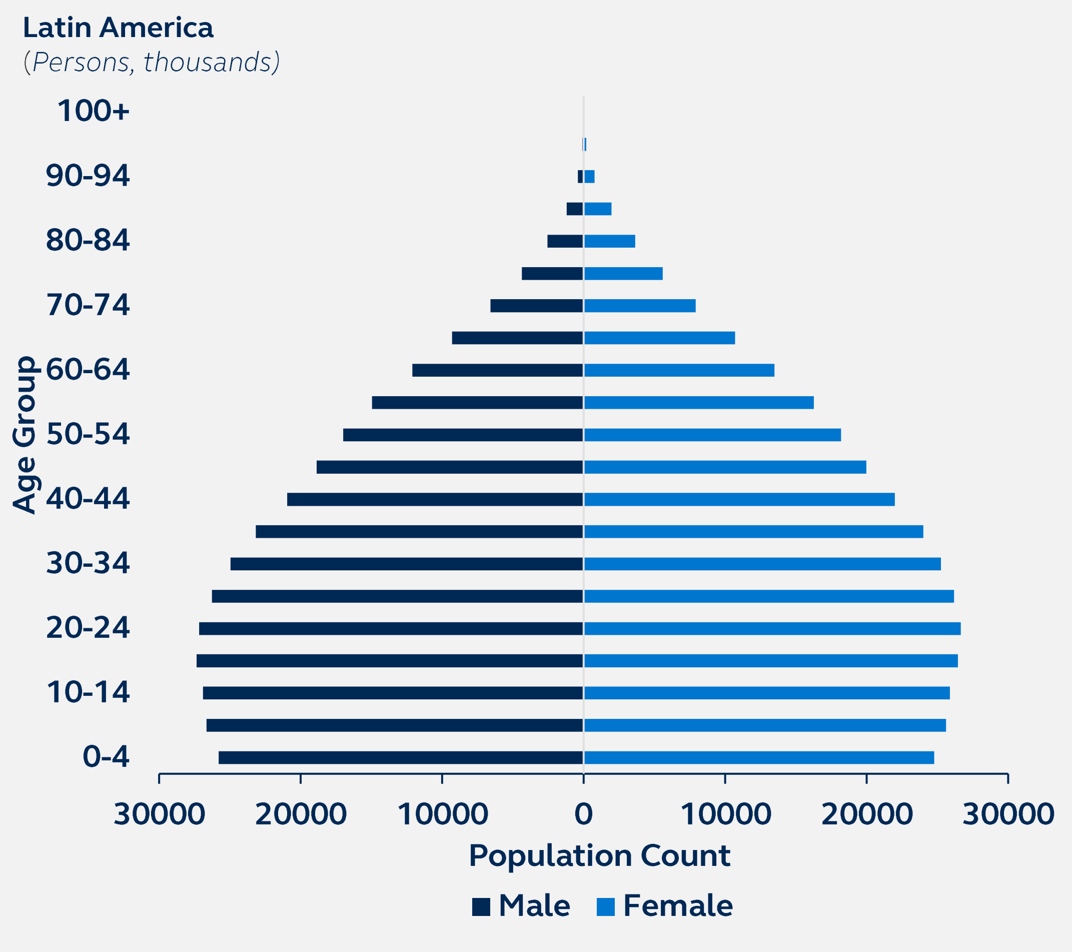
Source: Principal Asset Allocation, June 2025.

Latin Americans enjoy a longer investment horizon

Target Date portfolio impact: better target date suitability in Latin America, higher levels of long-dated risk



United Nations, Department of Economic and Social Affairs, Population Division (2024). World Population Prospects: The 2024 Revision, custom data acquired via website.



United Nations, Department of Economic and Social Affairs, Population Division (2024). World Population Prospects: The 2024 Revision, custom data acquired via website.

Thank you!

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Target-date portfolios are managed toward a particular target date, or the approximate date the investor is expected to start withdrawing money from the portfolio. As each target-date portfolio approaches its target date, the investment mix becomes more conservative by increasing exposure to generally more conservative investments and reducing exposure to typically more aggressive investments. Neither the principal nor the underlying assets of target-date portfolios are guaranteed at any time, including the target date. Investment risk remains at all times. Neither asset allocation nor diversification can ensure a profit or protect against a loss in down markets. Be sure to see the relevant prospectus or offering document for a full discussion of a target-date investment option including determination of when the portfolio achieves its most conservative allocation.

Investing involves risk, including possible loss of principal.

All figures shown in this document are in U.S. dollars unless otherwise noted. All assets under management figures shown in this document are gross figures and may include leverage, unless otherwise noted. Assets under management may include model-only assets managed by the firm, where the firm has no control as to whether investment recommendations are accepted, or the firm does not have trading authority over the assets.

Principal Asset Management℠ is a trade name of Principal Global Investors, LLC. Principal Asset Allocation is an investment team within Principal Global Investors.

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