

Target Date Series Comparison Report

GoalPath Fi360 Agg Portfolio I
GoalPath Fi360 Consv Portfolio I
GoalPath Fi360 Moderate Portfolio I



Requested by

GoalPath Solutions

Presented by

Vern Cushenbery
GoalPath Solutions

Comparative analysis

Table of Contents

Introduction

DOL TDF Tips

Glide Path

Implementation

Return and Risk

Holdings Analysis

Asset Class Selection

Important Notes

Glossary

Introduction

The investment options offered under a retirement plan must be prudently selected and monitored by the appropriate fiduciary. With the passage of the Pension Protection Act, target date offerings have become increasingly popular due to their potential use as a retirement plan's Qualified Default Investment Alternative (QDIA). The following output presents various attributes of specific target date investment options and can help you fulfill those fiduciary duties.

This target date analyzer provides basic information primarily from Morningstar®, Inc., and directly addresses many of the important topics the Department of Labor published as fiduciary tips. It is intended to help you or your client fulfill some of their fiduciary requirements related to decisions and reviews of target date funds. It is not to be considered advice. Please note that even though a target date investment is included in the analyzer, that doesn't necessarily indicate that your retirement plan provider makes it available. The target date investment options compared on the following pages reflect data available through Morningstar® and specific investments compared were chosen by the user.

Target Date investment options can be mutual funds, insurance company separate accounts or collective investment trusts maintained by a bank or trust company. Each of these has different potential benefits and risks. Be sure to review the definition section to understand the features of each type as applicable. Briefly, mutual funds are registered with the Securities and Exchange Commission. Separate accounts are maintained by an insurance company and regulated by the insurance commissioner of various states.

Collective investment trusts are maintained by a bank or trust company and are regulated by the Office of the Comptroller of Currency or the various state Banking Divisions. Neither separate accounts nor collective investment trusts are mutual funds; they have different regulations, potential assets and/or restrictions.

A word about target date investing

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. Asset allocation and diversification do not ensure a profit or protect against a loss. Be sure to see the relevant prospectus or offering document for full discussion of a target date investment option including determination of when the portfolio achieves its most conservative allocation.

Understand the DOL tips on target date retirement funds

This assessment is meant to assist ERISA plan fiduciaries in evaluating the target date fund (TDF) tips¹ released by the U.S. Department of Labor (DOL) on February 28, 2013.

Key points	DOL guidance	What it means
"To retirement" vs. "through retirement" glide paths	The DOL notes that considerable variations exist among TDFs offered by different investment providers. A key difference is type of glide path. The DOL States: "It is important to know whether a target date fund's glide path uses a "to retirement" or a "through retirement" approach."	Look at equity exposure at retirement date because some "to retirement" paths have higher equity exposure at retirement date than a "through" glide path.
Proprietary vs. non-proprietary TDFs	The DOL encourages plan fiduciaries to consider custom or non-proprietary TDFs over TDFs using a vendor's proprietary underlying funds. The guidance states that non-proprietary TDFs could "... offer advantages by including component funds that are managed by fund managers other than the TDF provider itself, thus diversifying participants' exposure to one investment provider."	Look for diversification of underlying investment managers.
Fees and expenses	"TDF costs can vary significantly, both in amount and types of fees. Small differences can have a serious impact on long-term retirement savings."	Just keep in mind that the lowest fees do not equal fiduciary protection. Look at plan needs to determine your target date fund, not fees.
Selecting and monitoring TDFs	The DOL recommends that plan fiduciaries establish and follow an objective process for selecting TDFs, and also reminds them that they "... are required to periodically review the plan's investment options to ensure they should continue to be offered."	Consider developing and implementing a rigorous process for identifying, selecting and monitoring Investment managers, and then document that process. Tools such as the target date analyzer make this easy to do.
Keep participants informed	The DOL stresses the importance of providing effective employee communications: "Just as it is important for the plan fiduciary to understand TDF basics when choosing a TDF investment option for the plan, employees who are responsible for investing their individual accounts need information too."	Consider delivering high-quality communications and education to participants so they understand what a target date fund is and what it is not. Also, look at working with a service provider that offers a user-friendly website, which includes educational materials on this topic.

What To Do

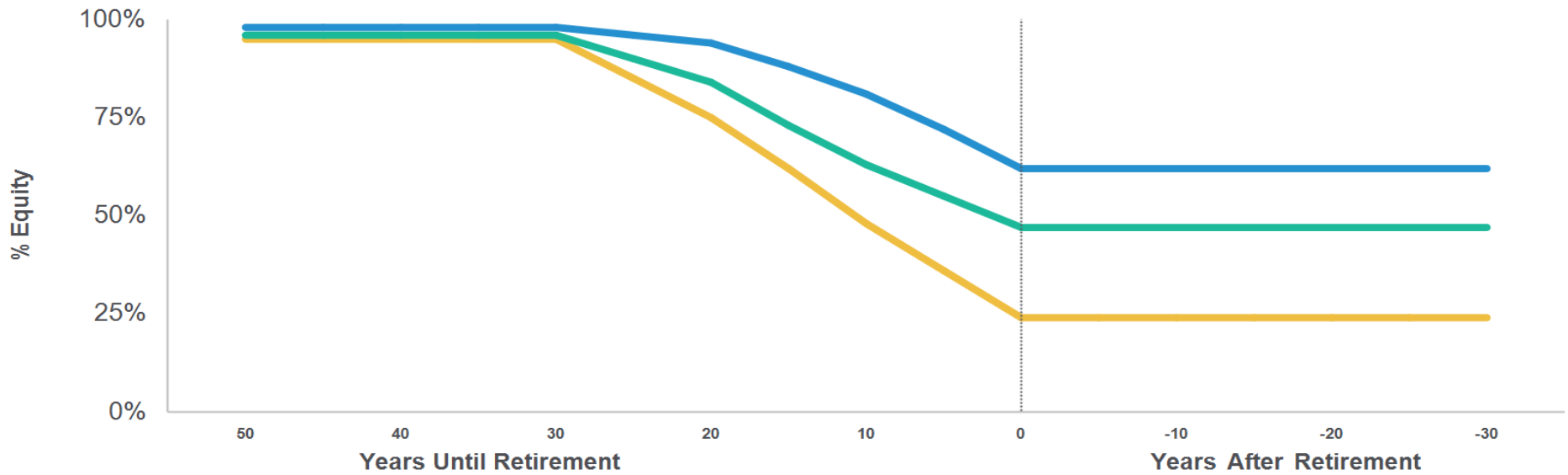
Review these tips, document your decisions as part of fulfilling your fiduciary obligations and consult your financial professional with questions.

¹Target Date Retirement Funds - Tips for ERISA Plan Fiduciaries, February 2013, <http://www.dol.gov/ebsa/pdf/fsTDF.pdf>

Glide path structure

Equity to fixed income

A [glide path](#) shows the change in a target date asset allocation as it gets closer to the target date – becoming more conservative by increasing exposure to generally more conservative investments and reducing exposure to typically more aggressive investments. This can help you determine comparative risk levels. When and where the glide path stops making investment mix changes is also an important consideration. Glide path data is provided by Morningstar and in the case of a mutual fund, reflects the glide path outlined in the prospectus.

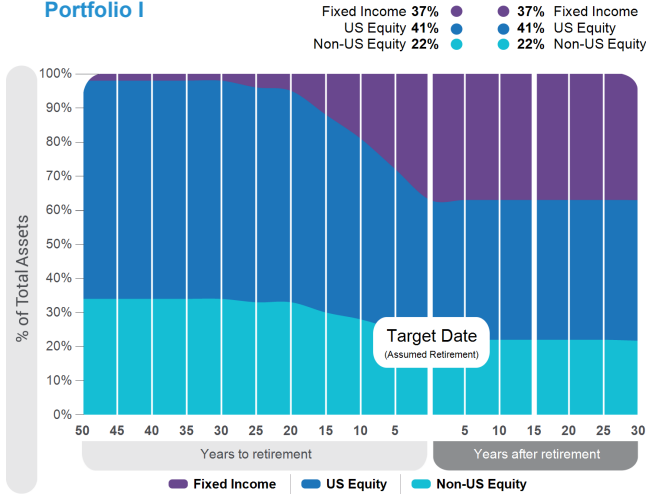


Target date series	Starting equity	% equity at target-date	Ending equity	Roll down begin age	Roll down end age	To/through	Roll down after retirement
● GoalPath Fi360 Agg Portfolio I	98%	62%	62%	35	65	To	0
● GoalPath Fi360 Consv Portfolio I	95%	24%	24%	35	65	To	0
● GoalPath Fi360 Moderate Portfolio I	96%	47%	47%	35	65	To	0

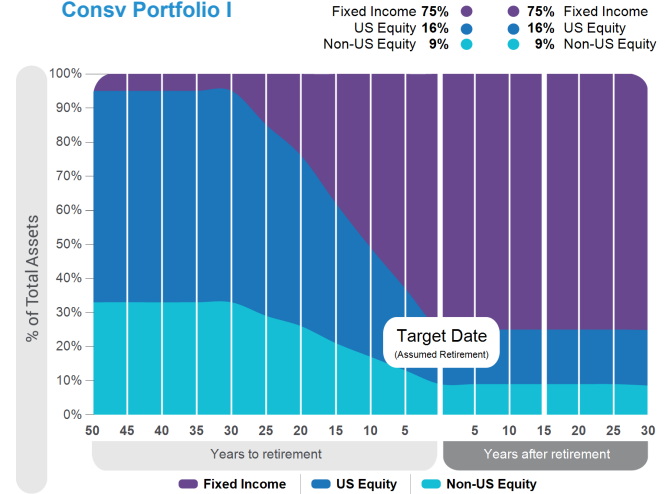
Target date series glide path comparison

Asset class

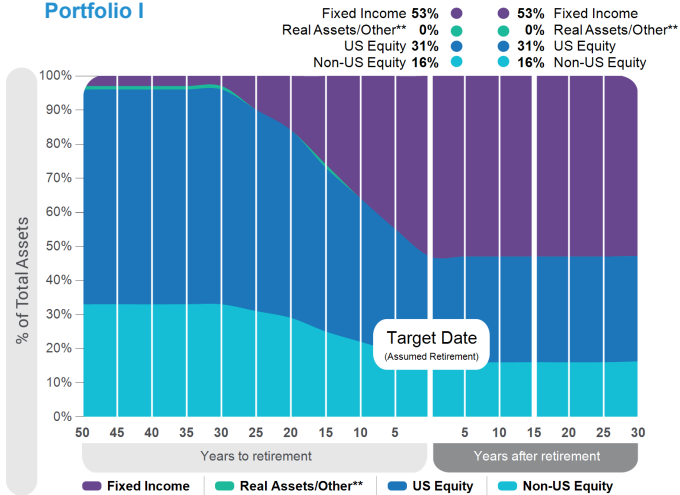
GoalPath Fi360 Agg Portfolio I



GoalPath Fi360 Convsv Portfolio I



GoalPath Fi360 Moderate Portfolio I



Portfolio construction and implementation

What goes into target date investments, including who manages those underlying investments, is a key consideration. Portfolio construction information is also presented, such as: whether the target date series is a fund-of-funds, the percentage of assets managed by firms affiliated with the target-date series versus those firms that are not affiliated, and how much of the series is comprised of a passive (index based) vs. actively managed strategies.

GoalPath Fi360 Agg Portfolio I

GoalPath Fi360 Conserv Portfolio I

GoalPath Fi360 Moderate Portfolio I

Target date structure			
Fund of funds	Y	Y	Y
# of underlying holdings	16	17	16
Holdings as of date	Dec 31, 2023	Dec 31, 2023	Dec 31, 2023
% of AUM managed by			
Passive exposure	14.49%	11.31%	12.95%
Active exposure	85.51%	88.69%	87.05%
Affiliated managers*	0.00%	0.00%	0.00%
Unaffiliated managers*	100%	100%	100%

*Values are based on Morningstar's interpretation and are refreshed on a calendar year basis based on availability of data.

Manager diversification

The manager of a target date series typically determines the glide path and asset allocation strategy and may utilize other affiliated or unaffiliated managers for those specific asset classes. The information presented here allows you to better understand the level of manager diversification within the target date series.

14
Managers

**GoalPath Fi360 Agg
Portfolio I**

14
Managers

**GoalPath Fi360 Consv
Portfolio I**

14
Managers

**GoalPath Fi360 Moderate
Portfolio I**



Performance summary of target date series

Investment results shown represent historical performance and do not guarantee future results. Investment returns and principal values fluctuate with changes in interest rates and other market conditions so the value, when redeemed may be worth more or less than original costs. Current performance may be lower or higher than the performance data shown. **In situations where the net and gross total investment expense differs**, the mutual fund, the underlying fund in which a Separate Account invests or the underlying investment options in which a collective investment trust invests has waived/capped a portion of its management fees through the date displayed in the waiver expiration date or contractual cap expiration date column. Differences may also be shown due to the fund family choosing to pay certain expenses that would normally be payable by the fund. Returns displayed are based on net total investment expense. **Past performance** is no guarantee of future results. **Market indices** have been provided for comparison purposes only. They are unmanaged and do not reflect fees or expenses. Individuals cannot invest directly in an index. **Returns for all time periods**, except the Since Inception time frame, may include the historical performance of the oldest share class of the fund, adjusted to reflect a portion of the fees and expenses of this share class. Since Inception returns display the actual return of this share class and do not reflect the adjusted returns of the oldest share class. Be sure to see the relevant prospectus or offering document for more information on specific expenses, and the investment's most recent report for actual date of first sale. Expenses are deducted from income earned by an investment. As a result, dividends and investment results will differ for each share class or rate level. **Morningstar percentile rankings** are based on total returns. For current month end performance, visit principal.com.

Investment option	Average annual total returns through 12/31/2023						Percentile rankings as of 12/31/2023				Total inv exp net/gross	Contractual cap / waiver expire date	Ticker symbol
	1 year	3 year	5 year	10 year	Since inception	Inception date	1 year	3 year	5 year	10 year			
Target-Date 2020													
GoalPath Fi360 2020 Agg Portfolio I	13.93	4.40	-	-	8.31	06/30/2020	6	1	-	-	0.43/0.43		
GoalPath Fi360 2020 Consv Portfolio I	7.33	-1.35	-	-	1.38	06/30/2020	100	100	-	-	0.45/0.45		
GoalPath Fi360 2020 Moderate Portfolio I	11.65	2.89	-	-	6.01	06/30/2020	60	1	-	-	0.43/0.43		
S&P Target Date To 2020 TR	10.92	1.53	5.53	4.62			-	-	-	-			
Morningstar Category Average	11.87	1.37	6.31	5.05	Total funds in category		144	133	128	64			
Target-Date 2030													
GoalPath Fi360 2030 Agg Portfolio I	16.64	5.76	-	-	10.30	06/30/2020	4	1	-	-	0.41/0.41		
GoalPath Fi360 2030 Consv Portfolio I	10.07	-0.87	-	-	3.15	06/30/2020	100	100	-	-	0.37/0.37		
GoalPath Fi360 2030 Moderate Portfolio I	14.10	4.36	-	-	8.19	06/30/2020	69	1	-	-	0.40/0.40		
S&P Target Date To 2030 TR	14.44	3.35	7.90	6.01			-	-	-	-			
Morningstar Category Average	14.40	2.40	8.04	6.06	Total funds in category		211	196	175	102			
Target-Date 2040													
GoalPath Fi360 2040 Agg Portfolio I	18.60	6.95	-	-	12.24	06/30/2020	40	1	-	-	0.41/0.41		

Performance summary of target date series

Investment option	Average annual total returns through 12/31/2023						Percentile rankings as of 12/31/2023				Total inv exp net/gross	Contractual cap / waiver expire date	Ticker symbol
	1 year	3 year	5 year	10 year	Since inception	Inception date	1 year	3 year	5 year	10 year			
GoalPath Fi360 2040 Consv Portfolio I	15.65	5.08	-	-	9.65	06/30/2020	87	6	-	-	0.40/0.40		
GoalPath Fi360 2040 Moderate Portfolio I	17.09	6.28	-	-	11.18	06/30/2020	74	1	-	-	0.41/0.41		
S&P Target Date To 2040 TR	18.16	5.00	9.73	7.06			-	-	-	-			
Morningstar Category Average	17.69	4.02	9.88	7.14	Total funds in category		205	190	175	102			
Target-Date 2050													
GoalPath Fi360 2050 Agg Portfolio I	19.02	7.35	-	-	12.99	06/30/2020	72	3	-	-	0.41/0.42		
GoalPath Fi360 2050 Consv Portfolio I	18.60	7.10	-	-	12.54	06/30/2020	81	3	-	-	0.41/0.41		
GoalPath Fi360 2050 Moderate Portfolio I	18.85	6.90	-	-	12.49	06/30/2020	75	3	-	-	0.41/0.41		
S&P Target Date To 2050 TR	20.21	5.92	10.67	7.62			-	-	-	-			
Morningstar Category Average	19.51	4.79	10.62	7.52	Total funds in category		202	188	175	102			
Target-Date 2060													
GoalPath Fi360 2060 Agg Portfolio I	19.03	7.24	-	-	12.89	06/30/2020	76	4	-	-	0.41/0.42		
GoalPath Fi360 2060 Consv Portfolio I	18.59	7.07	-	-	12.48	06/30/2020	84	5	-	-	0.41/0.41		
GoalPath Fi360 2060 Moderate Portfolio I	18.84	7.22	-	-	12.77	06/30/2020	78	4	-	-	0.41/0.41		
S&P Target Date To 2060 TR	20.44	6.07	10.96	7.86			-	-	-	-			
Morningstar Category Average	19.96	4.94	10.85	7.22	Total funds in category		200	181	162	8			

Top 10 holdings in target date series

Portfolio holdings are subject to change and companies referenced in this report may not currently be held. Information is current as of the creation of this piece. Keep in mind that portfolio holdings are subject to risk.

GoalPath Fi360 Agg Portfolio I

Holding name	Manager	% held in 2020
DFA Large Cap International I	DFA Australia Limited, Dimensional Fund Advisors Ltd	13.66
MassMutual Infl-Prot and Inc I	Baring International Investment, Barings LLC	12.38
DFA US Large Company I	Dimensional Fund Advisors LP	10.59
Hartford Core Equity R6	Wellington Management Company LLP	8.42
MassMutual Total Return Bond I	Metropolitan West Asset Management, LLC.	8.31
Hartford Quality Value ETF	Wellington Management Company LLP	7.72
DFA Emerging Markets Core Equity I	DFA Australia Limited, Dimensional Fund Advisors Ltd	6.51
DFA US Small Cap I	Dimensional Fund Advisors LP	5.76
Federated Hermes Inflation Ptctd Sec R6	Federated Investment Management Company	5.17
DFA US Core Equity 1 I	Dimensional Fund Advisors LP	4.69
		Total: 83.22%

Holding name	Manager	% held in 2020
DFA Large Cap International I	DFA Australia Limited, Dimensional Fund Advisors Ltd	20.60
DFA US Large Company I	Dimensional Fund Advisors LP	16.32
Hartford Core Equity R6	Wellington Management Company LLP	13.12
Hartford Quality Value ETF	Wellington Management Company LLP	12.00
DFA Emerging Markets Core Equity I	DFA Australia Limited, Dimensional Fund Advisors Ltd	9.96
DFA US Small Cap I	Dimensional Fund Advisors LP	8.15
DFA US Core Equity 1 I	Dimensional Fund Advisors LP	7.10
Federated Hermes MDT Large Cap Growth IS	Federated MDTA LLC	5.34
Hartford Schoders Intl Multi-Cp Val SDR	Schroder Investment Management North America Inc., Schroder Investment Management North America Ltd	3.01
MassMutual Small Cap Opps I	Invesco Advisers, Inc.	2.48
		Total: 98.09%

Top 10 holdings in target date series

Portfolio holdings are subject to change and companies referenced in this report may not currently be held. Information is current as of the creation of this piece. Keep in mind that portfolio holdings are subject to risk.

GoalPath Fi360 Consv Portfolio I

Holding name	Manager	% held in 2020
MassMutual Infl-Prot and Inc I	Baring International Investment, Barings LLC	37.72
DFA LTIP Institutional	DFA Australia Limited, Dimensional Fund Advisors Ltd	18.92
Federated Hermes Inflation Ptctd Sec R6	Federated Investment Management Company	15.77
DFA Large Cap International I	DFA Australia Limited, Dimensional Fund Advisors Ltd	5.41
DFA US Large Company I	Dimensional Fund Advisors LP	4.26
Hartford Core Equity R6	Wellington Management Company LLP	3.41
Hartford Quality Value ETF	Wellington Management Company LLP	3.07
DFA Emerging Markets Core Equity I	DFA Australia Limited, Dimensional Fund Advisors Ltd	2.58
DFA US Small Cap I	Dimensional Fund Advisors LP	2.25
Federated Hermes Treasury Obl IS	Federated Investment Management Company	1.88
Total:		95.26%

Holding name	Manager	% held in 2020
DFA Large Cap International I	DFA Australia Limited, Dimensional Fund Advisors Ltd	20.04
DFA US Large Company I	Dimensional Fund Advisors LP	15.77
Hartford Core Equity R6	Wellington Management Company LLP	12.61
Hartford Quality Value ETF	Wellington Management Company LLP	11.39
DFA Emerging Markets Core Equity I	DFA Australia Limited, Dimensional Fund Advisors Ltd	9.57
DFA US Small Cap I	Dimensional Fund Advisors LP	8.36
DFA US Core Equity 1 I	Dimensional Fund Advisors LP	6.95
Federated Hermes MDT Large Cap Growth IS	Federated MDTA LLC	5.16
Hartford Schroders Intl Multi-Cp Val SDR	Schroder Investment Management North America Inc., Schroder Investment Management North America Ltd	2.90
MassMutual Small Cap Opps I	Invesco Advisers, Inc.	2.56
Total:		95.31%

Top 10 holdings in target date series

Portfolio holdings are subject to change and companies referenced in this report may not currently be held. Information is current as of the creation of this piece. Keep in mind that portfolio holdings are subject to risk.

GoalPath Fi360 Moderate Portfolio I

Holding name	Manager	% held in 2020
MassMutual Infl-Prot and Inc I	Baring International Investment, Barings LLC	18.87
MassMutual Total Return Bond I	Metropolitan West Asset Management, LLC.	11.72
DFA Large Cap International I	DFA Australia Limited, Dimensional Fund Advisors Ltd	10.23
DFA US Large Company I	Dimensional Fund Advisors LP	8.03
Federated Hermes Inflation Ptctd Sec R6	Federated Investment Management Company	7.88
Hartford Core Equity R6	Wellington Management Company LLP	6.43
Hartford Quality Value ETF	Wellington Management Company LLP	5.81
DFA Short-Term Extended Quality I	DFA Australia Limited, Dimensional Fund Advisors Ltd	5.54
DFA Two-Year Global Fixed-Income I	DFA Australia Limited, Dimensional Fund Advisors Ltd	5.51
DFA Emerging Markets Core Equity I	DFA Australia Limited, Dimensional Fund Advisors Ltd	4.88
Total: 84.90%		

Holding name	Manager	% held in 2020
DFA Large Cap International I	DFA Australia Limited, Dimensional Fund Advisors Ltd	20.51
DFA US Large Company I	Dimensional Fund Advisors LP	15.95
Hartford Core Equity R6	Wellington Management Company LLP	12.73
Hartford Quality Value ETF	Wellington Management Company LLP	11.62
DFA Emerging Markets Core Equity I	DFA Australia Limited, Dimensional Fund Advisors Ltd	9.83
DFA US Small Cap I	Dimensional Fund Advisors LP	8.55
DFA US Core Equity 1 I	Dimensional Fund Advisors LP	7.04
Federated Hermes MDT Large Cap Growth IS	Federated MDTA LLC	5.19
Hartford Schroders Intl Multi-Cp Val SDR	Schroder Investment Management North America Inc., Schroder Investment Management North America Ltd	2.98
MassMutual Small Cap Opps I	Invesco Advisers, Inc.	2.63
Total: 97.03%		

Overall summary

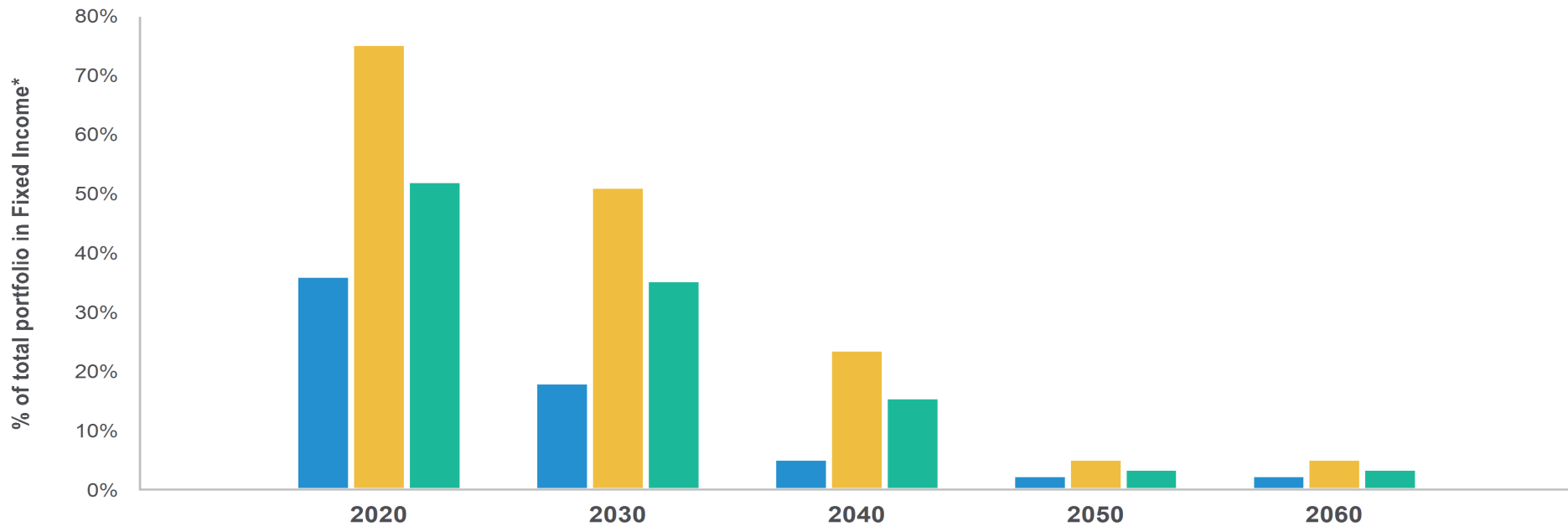
Asset classes utilized within each target date series

This chart illustrates asset class exposure; a variety of asset classes is an important element of providing diversification for investors. Asset classes marked for each target date series are based on actual holdings data from Morningstar. Alternative strategies, where marked, may be derived from data based on the series, glide path rather than actual holdings data. Each asset class fulfills a different purpose and has different risks. No asset class guarantees a profit. These potential benefits and risks are defined and discussed in greater detail in the following pages. Be sure to review Important Information at the end of this document for greater discussion of risks associated with each asset class. Target date series must have at least one vintage containing a minimum exposure of two percent to the asset class displayed to receive credit for exposure to that asset class.

	GoalPath Fi360 Agg Portfolio I	GoalPath Fi360 Consrv Portfolio I	GoalPath Fi360 Moderate Portfolio I
Fixed Income			
Cash	X	X	X
Short-Term Bond	X	X	X
Intermediate-Term Bond	X	X	X
Long-Term Bond	X	X	X
High-Yield Bond	X	X	X
Treasury Inflation Protection	X	X	X
Emerging Market Debt			
Equities			
U.S. Large Cap	X	X	X
U.S. Mid Cap	X	X	X
U.S. Small Cap	X	X	X
Non-U.S.	X	X	X
Emerging Markets	X	X	X
Real Assets / Alternatives			
Real Assets			
Alternative Strategies			

Percent of portfolio in fixed income

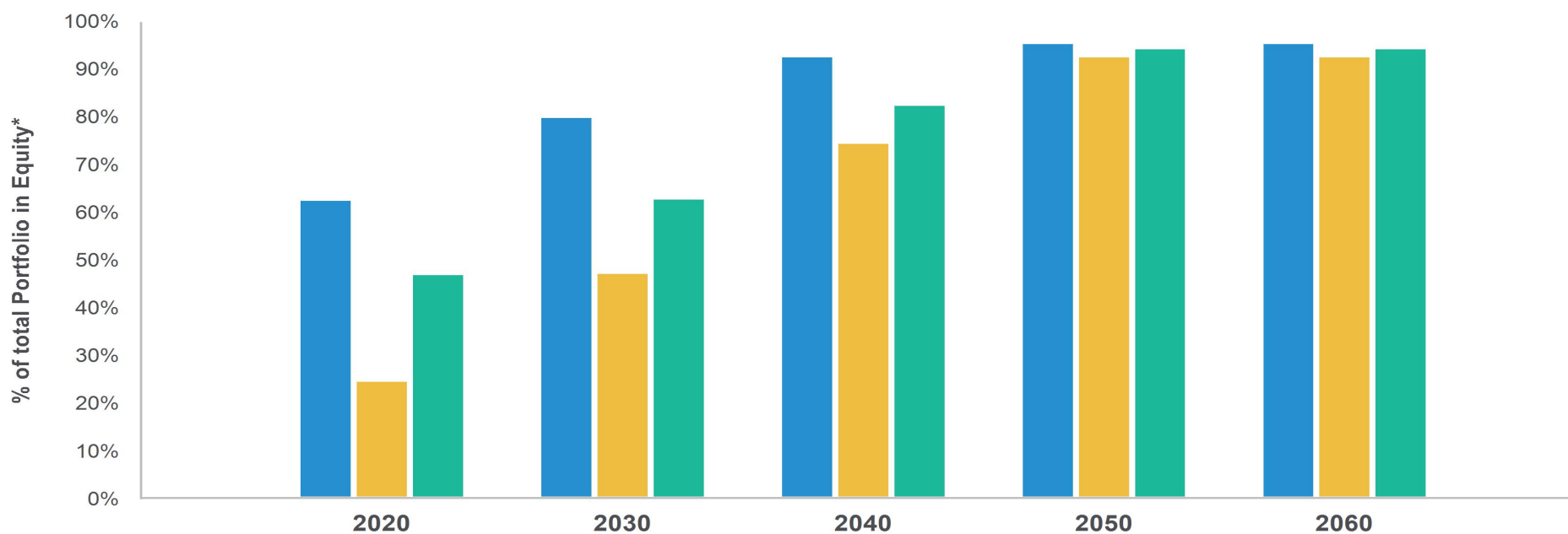
Fixed income exposure is important because fixed-income investments seek to provide diversification with the intention to help mitigate market risk (volatility). The table beneath the chart provides a detailed breakdown of the data (based on the most recent actual holdings data provided by Morningstar). Fixed-income investment options are subject to interest rate risk, and their value will decline as interest rates rise. Be sure to review Important Information at the end of this document for additional information.



Target date series	2020	2030	2040	2050	2060
● GoalPath Fi360 Agg Portfolio I	36.34%	18.36%	5.51%	2.70%	2.70%
● GoalPath Fi360 Consv Portfolio I	75.52%	51.37%	23.90%	5.49%	5.49%
● GoalPath Fi360 Moderate Portfolio I	52.32%	35.65%	15.84%	3.78%	3.79%

Percent of portfolio in equity

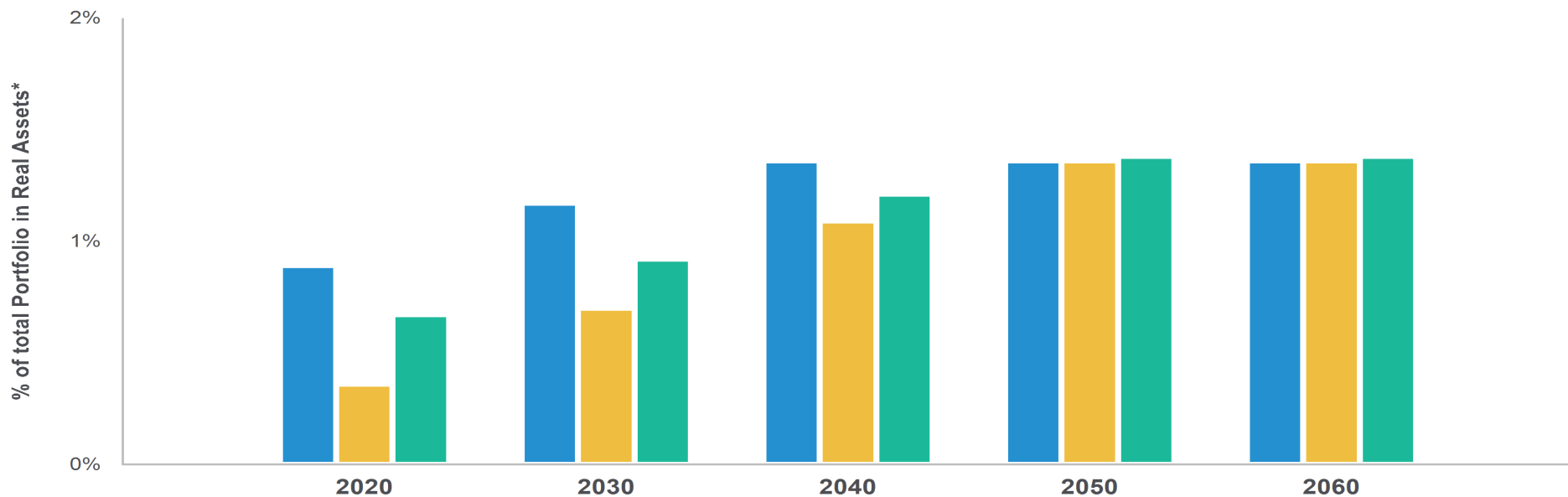
Equities play an integral role in the asset allocation for target date investments as they are intended to be the primary drivers of capital appreciation. This chart compares the percentage of equities in a target date investment. The table beneath the chart provides a detailed breakdown of the data (based on the most recent actual holdings data provided by Morningstar). Equity investment options involve greater risk, including heightened volatility, than fixed-income investment options. Be sure to review Important Information at the end of this document for additional information.



Target date series	2020	2030	2040	2050	2060
● GoalPath Fi360 Agg Portfolio I	63.09%	80.40%	93.13%	95.93%	95.93%
● GoalPath Fi360 Consv Portfolio I	25.12%	47.72%	75.01%	93.15%	93.15%
● GoalPath Fi360 Moderate Portfolio I	47.51%	63.32%	82.95%	94.83%	94.82%

Percent of portfolio in real assets

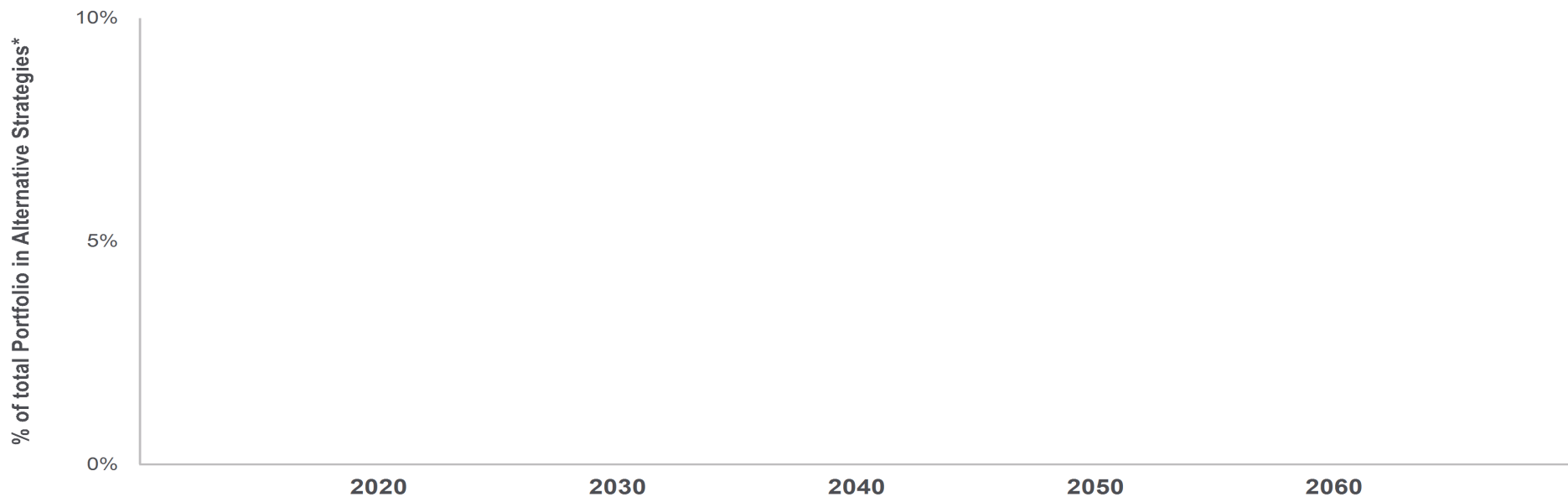
Real assets are investments that hold securities linked to tangible assets such as commodities, natural resource stocks, and real estate. Because tangible assets tend to have low correlations to stocks and bonds, they are used with the intention to help lower a target date investment's overall risk while increasing the potential for higher long-term risk-adjusted returns. Their value and/or investment returns have historically tended to rise with the cost of living; this has the potential to make them useful in inflation-hedging strategies. The table beneath the chart provides a detailed breakdown of the data (based on most recent actual holdings data provided by Morningstar). Be sure to review Important Information at the end of this document for additional information.



Target date series	2020	2030	2040	2050	2060
● GoalPath Fi360 Agg Portfolio I	0.89%	1.17%	1.36%	1.36%	1.36%
● GoalPath Fi360 Consv Portfolio I	0.36%	0.70%	1.09%	1.36%	1.36%
● GoalPath Fi360 Moderate Portfolio I	0.67%	0.92%	1.21%	1.38%	1.38%

Percent of portfolio in alternative strategies

Alternative strategies can be an important component of a target date investment option due to their potential to provide additional return and overall lower correlation to the market. Alternative Strategies displayed here may be derived from data based on the target date series' glide path rather than actual holdings. These strategies are composed of those investment options which Morningstar classifies as Alternative Strategies and may utilize leverage, derivatives, and shorting securities in addition to traditional investments. The table beneath the chart provides a detailed breakdown of the data (based on most recent actual holdings data provided by Morningstar). Be sure to review Important Information at the end of this document for additional information.



Target date series	2020	2030	2040	2050	2060
● GoalPath Fi360 Agg Portfolio I	0.00%	0.00%	0.00%	0.00%	0.00%
● GoalPath Fi360 Consv Portfolio I	0.00%	0.00%	0.00%	0.00%	0.00%
● GoalPath Fi360 Moderate Portfolio I	0.00%	0.00%	0.00%	0.00%	0.00%

A note about asset class risks

Fixed income investment options (inclusive of U.S. Treasury Inflation-Protected Securities) are subject to interest rate risk, and their value will decline as interest rates rise. Neither the principal of bond investment options nor their yields are guaranteed by the U.S. or any other government entity.

Equity investment options involve greater risk, including heightened volatility, than fixed-income investment options.

Real Estate investment options are subject to investment and liquidity risk and other risks inherent in real estate such as those associated with general and local economic conditions. Property values can decline due to environmental and other reasons. In addition, fluctuation in interest rates can negatively impact the performance of real estate investment options. **Commodity-Related and Natural Resource Investment Risk** - The value of commodities investments will generally be affected by overall market movements and factors specific to a particular industry or commodity, which may include weather, embargoes, tariffs, and economic health, political, international regulatory and other developments. Exposure to the commodities markets may subject the fund to greater volatility than investments in traditional securities. **Master Limited Partnerships (MLPs)** that invest in a particular industry (e.g., oil and gas) may be harmed by detrimental economic events within that industry. As partnerships, MLPs may be subject to less regulation (and less protection for investors) under state laws than corporations.

In addition, MLPs may be subject to state taxation in certain jurisdictions, which may reduce the amount of income paid by an MLP to its investors.

Alternative strategies do not guarantee reduced risks associated with equity markets, capitalization, sector swings or other risk factors and may also have higher turnover rates, which can result in additional tax consequences. The risks associated with **derivative investments** include that the underlying financial asset will not move in the direction anticipated which can result in a loss substantially greater than a fund's initial investment, the possibility that there may be no liquid secondary market, the counterparty may fail to perform its obligations; and the inability to close out certain hedged positions to avoid adverse tax consequences. Use of **Leverage** or borrowing can increase the volatility and any losses. **Short selling** involves risks, including investment loss and added costs associated with covering short positions. **International investing** involves increased risks due to currency fluctuations, political or social instability, and differences in accounting standards. These risks are magnified in emerging markets. **Investment risk** may be magnified with the use of these alternative strategies. These investments are subject to risks associated with market and interest rate movements. It is possible to lose money when using Alternative Strategies. Be sure to read the Important Information section for additional details.

Important notes

Before investing in a Collective Investment Fund please carefully review the Declaration of Trust, Participation Agreement, and disclosure documents (collectively “Governing Documents”) for a more details description of the investment objectives, strategies, risks, fees and expenses.

S&P Target Date To indices provide varying levels of exposure to equities and fixed income. The asset allocation is derived from an annual survey.

Investing involves risk, including possible loss of principal. Asset allocation and diversification does not ensure a profit or protect against a loss. Equity investment options involve greater risk, including heightened volatility, than fixed-income investment options. Fixed-income investments are subject to interest rate risk; as interest rates rise their value will decline. International and global investing involves greater risks such as currency fluctuations, political/social instability and differing accounting standards. These risks are magnified in emerging markets. Fixed-income and asset allocation investment options that invest in mortgage securities are subject to increased risk due to real estate exposure.

High yield investment options are subject to greater credit risk and volatility that is associated with high yield bonds. Investments concentrated in natural resources industries can be affected significantly by events relating to those industries, such as variations in the commodities markets, weather, disease, embargoes, international, political, and economic developments, the success of exploration projects, tax and other government regulations, and other factors. REIT securities are subject to risk factors associated with the real estate industry and tax factors of REIT registration. International and global investment options are subject to additional risk due to fluctuating exchange rates, foreign accounting and financial policies, and other economic and political environments. These risks are magnified in emerging markets. Small-cap and mid-cap investment options are subject to more fluctuation in value and may have additional risks than other investment options with stocks of larger, more stable companies. Commodity-Related Investment Risk: The value of commodities investments will generally be affected by overall market movements and factors specific to a particular industry or commodity, which may include weather,

embargoes, tariffs, and economic health, political, international regulatory and other developments. Exposure to the commodities markets may subject the fund to greater volatility than investments in traditional securities. Alternative investment strategies involve additional and potentially significant risks. Alternative investment strategies include arbitrage, leverage, derivatives, and shorting securities. Long/short investing does not guarantee reduced risks associated with equity markets, capitalization, sector swings or other risk factors. Long/short investing may also have higher turnover rates, which can result in additional tax consequences. Short selling involves certain risks, including investment loss and added costs associated with covering short positions. International investing involves increased risks due to currency fluctuations, political or social instability, and differences in accounting standards. These risks are magnified in emerging markets. Investment risk may be magnified with the use of these alternative strategies. Investing in derivatives entails specific risks relating to liquidity, leverage, and credit that may reduce returns and/or increase volatility. An MLP that invests in a particular industry (e.g., oil and gas) may be harmed by detrimental economic events within that industry. As partnerships, MLPs may be subject to less regulation (and less protection for investors) under state laws than corporations. In addition, MLPs may be subject to state taxation in certain jurisdictions, which may reduce the amount of income paid by an MLP to its investors. In addition, securities such as bonds, equities, international and emerging market securities, and currencies are used to implement the investment strategy. These investments are subject to risks associated with market and interest rate movements. Additional risks are included in the Fund’s prospectus or investment option’s offering document.

There is no guarantee that a target date investment will provide adequate income at or through retirement.

Returns represent past performance and do not guarantee future results. Share price, principal value, and return will vary and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted. For the most recent month-end performance, visit principal.com.

Total Investment Expense - Gross is the maximum expense ratio, as a percentage of assets that can be applied to this investment option. This does not

Important notes

represent the recordkeeping or individual transactional fees that can be deducted from or reduce the earnings for an investment under your account. However, it does include operating expenses, management fees, including 12b-1 fees, and administrative fees.

Total Investment Expense - Net is the Total Investment Expense Gross expense ratio less any fee waivers, reimbursements or caps, if applicable. The expenses ratio, as a percentage of net assets, includes operating expenses, management fees, including 12b-1 fees, and administrative fees.

Expense Waiver/Contractual Cap - Where gross and net expense ratios differ, the investment adviser has contractually agreed to limit the investment option's expenses. Differences also may be due to the investment adviser's decision to pay (through the same dates) certain expenses that would normally be payable by the fund.

Insurance products and plan administrative services provided through Principal Life Insurance Company® 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. Certain investment options and contract riders may not be available in all states or U.S. commonwealths. Separate Accounts are available through a group annuity contract with Principal Life Insurance Company. See the group annuity contract for the full name of the Separate Account. Principal Life Insurance Company reserves the right to defer payments or transfers from Principal Life Separate Accounts as permitted by the group annuity contracts providing access to the Separate Accounts or as required by applicable law. Such deferment will be based on factors that may include situations such as: unstable or disorderly financial markets; investment conditions which do not allow for orderly investment transactions; or investment, liquidity and other risks inherent in real estate (such as those associated with general and local economic conditions). If you elect to allocate funds to a Separate Account, you may not be able to immediately withdraw them.

For Principal investment options - Investment manager/sub-advisor means either

the Investment Adviser or Sub-Adviser to the investment option or the underlying asset(s). Principal Life Insurance Company is the Investment Manager as defined by ERISA, with regard to the assets of the Separate Accounts. The trustee of any Collective Investment Trust is the Investment Manager as defined by ERISA, with regard to the assets of the CIT. As a general rule, Principal will make more revenue on our proprietary products.

Investment Manager - The Investment Manager may include a Registered Investment Adviser as defined in the Advisers Act of 1940, an Investment Adviser as defined in the Investment Company Act of 1940, as well as a company employed by the investment option's Investment Manager to handle the investment option's day-to-day management. The portfolio manager may work for either the Investment Adviser or the Sub-Adviser. "Multi-Managed" will be displayed for investment options which have more than three sub-advisors.

May lose value. Not a deposit. No bank or credit union guarantee. Not insured by any Federal government agency.

© 2024 Morningstar, Inc. All Rights Reserved. Part of the mutual fund data contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. The information in this document contains general information only on investment matters and should not be considered as a comprehensive statement on any matter and should not be relied upon as such. The information in this document has been derived from sources believed to be accurate and reliable; however, we do not independently verify or guarantee its accuracy or validity.

2414587-092022

Glossary

- **Actively managed** describes the use of a human element, such as a single portfolio manager, co-managers or a team of portfolio managers, to actively select investments and allocations rather than emulate an index. Active managers rely on analytical research, forecasts, and their own judgment and experience in making investment decisions on what securities to buy, hold and sell in an attempt to beat the market.
- **Affiliated manager** is the term for portfolio managers who are employed by the entity distributing or creating the investment option.
- **Alternatives** strategies are investments that are not one of the three traditional asset types (stocks, bonds and cash). Most alternative strategies investment assets are held by institutional investors because of their complex nature, limited regulation and potential relative lack of liquidity. Alternative investments include managed futures, real estate, commodities and derivatives contracts. Investing in derivatives entails specific risks relating to liquidity, leverage, and credit that may reduce returns and/or increase volatility.
- **Average market cap** is the overall "size" of a stock investment option's portfolio. It is the geometric mean of the market capitalization for all the stocks it owns and is calculated by raising the market capitalization of each stock to a power equal to that stock's stake in the portfolio. The resulting numbers are multiplied together to produce the geometric mean of the market caps of the stocks in the portfolio, which is reported as average market capitalization.
- **Cash** usually includes bank accounts and marketable securities, such as government bonds and banker's acceptances.
- **Credit long/short strategies** employ investment processes designed to isolate opportunities in corporate fixed include securities, which may include both senior and subordinated claims as well as bank debt and other outstanding obligations, structuring positions with little or no broad credit market exposure.
- **Down-market capture** ratio is a statistical measure of an investment's performance relative to a comparative index in months in which that index has fallen. A down-market capture ratio of greater than 100 would indicate that the investment performed worse than the comparative index during months in which the index had fallen over a specified time period.
- **Equity** is a stock or any other security representing an ownership interest.
- **Equity long/short strategies** include U.S. Equity, Global Equity and specialty strategies for which the portfolio managers buy securities they believe to be undervalued and sell short securities they believe to be overvalued, thereby managing a portion of the market risk in their portfolios.
- **Fixed income investments** own income-producing securities — typically debt issued by corporations or government entities. Historically they have been less volatile than equities, though more volatile than most cash equivalents.
- **Geometric mean** is the annualized average return of an investment or index over a specified period.
- **Market neutral** encompasses three strategies — Convertible Arbitrage, Fixed Income Arbitrage and Equity Arbitrage — with the goal of achieving positive returns by hedging against all stock or bond market risk (i.e., they take equal long and short positions in order to increase the return from security selections, rather than market movements).
- **Morningstar percentile rankings:** Each investment's total returns are compared to other investments in the same Morningstar category for various time periods. Total returns are ranked on a scale from 1 to 100 where 1 represents the highest-returning 1 percent of investments and 100 represents the lowest returning investments.
- **Passive manager** describes a style of management in which an investment mirrors a market index. Passive management is the opposite of active management in which the investment's manager(s) attempt to beat the market with various investing strategies and buying/selling decisions.
- **Rate level** refers to the expense structure of the target date series that is built as separate accounts or Collective Investment Trusts.
- **Real assets** represent physical or tangible assets that have value, due to their substance and properties. Real assets include precious metals, commodities, real estate, agricultural land and oil.

Glossary

- **Sharpe ratio** measures how an investment balances potential risks and potential rewards. The higher the Sharpe ratio, the better the investment's historical risk-adjusted performance.
- **Standard deviation** measures how much a target date investment's returns have fluctuated historically.
- **Up-market capture ratio** is a statistical measure of an investment's performance relative to a comparative index in months in which that index has risen. An up-market capture ratio of greater than 100 would indicate that the investment performed better than the comparative index during months in which the index had risen over a specified time period.