Principal® achieves sustainability goals in newly released report

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DES MOINES, Iowa--(BUSINESS WIRE)-- Principal Financial Group® has met or exceeded its multi-year sustainability goals according to findings in the 2023 Sustainability Report released today.

The 2023 Sustainability Report from Principal details progress made on corporate responsibility commitments focused on employee empowerment, financial inclusion, climate impact, and sustainable investing. These commitments, established in 2021, support the company's focus on growing a resilient, inclusive, and more financially secure society.

Notable progress outlined in the report includes:

- **Principal doubles the number of diverse small and midsized businesses (SMBs) served.** In 2021, together with Principal® Foundation, Principal made this commitment with a goal of supporting more than 14,600 diverse SMBs and entrepreneurs by 2025. This goal was exceeded in 2023 with 14,745 of these companies served. Principal has set a new goal to triple the number of diverse SMBs it supports totaling 30,000 SMBs by 2025.
- **Principal® Foundation invested $18 million in 2023.** Over the past three years, Principal Foundation has invested $51 million to help ensure access to essential needs, develop pathways toward economic mobility and support financial enablement and development, with a focus on entrepreneurs, small businesses, and diverse populations.
- **Principal achieves annual Global People Inclusion Index* (GPII) goal with a score of 82%.** This proprietary Inclusion Index measures sentiments of its nearly 20,000 global employees related to culture and empowerment. In 2023, the goal was 80% and the company is increasing this goal to 82% in 2024 based on past performance and a desire for continuous improvement.
- **Principal continues to meet greenhouse gas (GHG) emission goals, averaging a 11.5% reduction each year since 2019.**** The company is on track to reach its long-term goal of achieving a 65% reduction in global scope 1 and scope 2 market-based GHG emissions by 2034. The glide path goal averages to a 4.3% reduction per year, which Principal achieved in 2023 through meaningful decreases in emissions in the U.S. and globally.
- **Continued growth in the firm's assets under management representing sustainable investing options.** Principal investment teams increased assets under management internally classified as sustainable investment products from 55% in 2022 to approximately 61% in 2023 and introduced four new sustainable investment options.***

"Customers want to do business with companies whose values align with their own. Our customers tell us these actions matter to them. They also matter to us." said Dan Houston, chairman, president, and chief executive officer at Principal. "Principal is committed to expanding the population of those living in financial security through long-term, responsible actions like advocating for financial inclusion and creating new opportunities for generations to come."

Progress on all Principal sustainability commitments can be found in the 2023 Sustainability Report.

*The Global People Inclusion Index is a proprietary survey tool measuring employee inclusion at Principal.

**2023 GHG emissions and energy consumption values will be verified in Q2 2024 and final figures will be disclosed in the 2024 CDP Climate Change Questionnaire.

***Assets under management (AUM) representative of Principal Global Investors investment teams as of December 31, 2023. AUM includes the asset management operations of the following: Principal Global Investors, LLC; Principal Real Estate Investors, LLC; Principal Real Estate Europe Limited and its affiliates; Spectrum Asset Management, Inc.; Post Advisory Group, LLC; Origin Asset Management, LLP; Claritas Investimentos; Principal Global Investors (Europe) Limited; Principal Global Investors (Singapore) Ltd.; Principal Global Investors (Australia) Ltd.; Principal Global Investors (Japan) Ltd.; Principal Asset Management Company (Asia) Ltd., and include assets where we provide model portfolios. AUM that are sustainable investment products are internally classified by Principal Asset Management℠ and not by any third party or regulatory body. Principal Asset Management℠ is the trade name of Principal Global Investors, LLC. Products representative of Principal Global Investors and Principal International investment teams as of December 31, 2023.

About Principal Financial Group®

Principal Financial Group® (Nasdaq: PFG) is a global financial company with nearly 20,000 employees[1] passionate about improving the wealth and well-being of people and businesses. In business for more than 140 years, we're helping approximately 62 million customers[1] plan, protect, invest, and retire, while working to support the communities where we do business, and build a diverse, inclusive workforce. Principal® is proud to be recognized as one of the 2024 World's Most Ethical Companies ® by Ethisphere[2], a member of the Bloomberg Gender Equality Index, and a "Best Places to Work in Money Management[3]." Learn

more about Principal and our commitment to building a better future at principal.com.

[1] As of December 31, 2023

[2] Ethisphere, 2024

[3] Pensions & Investments, 2023



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