Celebrating each step toward retirement

Participant experiences at Principal®

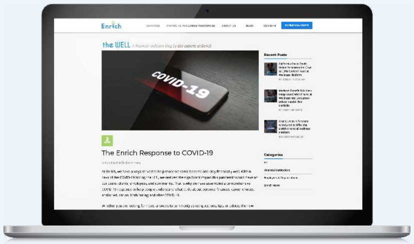
Fostering a world where financial security is accessible to all, even with market volatility

COVID-19 and the financial crisis that ensued impacted participants in a number of ways:

- Confidence with having enough
- Uncertainty with the impacts of the pandemic
- Anxiety around actions they should be taking

In this time of need, we continue to pivot our strategy to react to the needs of participants.

Our comprehensive financial tools and resources provide confidence, address and prepare for losses, and answer top-of-mind questions.



- Enrich™ COVID hub
- ARAG®
- Retirement plan options review after job change: Connection, contact center, online tools
- Financial and investing education: webinars, eMagazines, education opportunities
- Communications regarding recently passed legislation, like the CARES Act

As the environment remains fluid, our strategy to help will too. We are focused on continuing to help participants recover and reach their retirement goals.

Participants (and their savings) are in good hands

Our participant engagement strategy is to engage participants from the beginning, help them elevate their retirement planning, and help them expand beyond retirement to tackle immediate financial priorities.

Meets participants where they are

The experience can be hands off once you provide employees' email addresses.

Personalized connection

Consumers expect personalized experiences and communications.

Enroll & Educate

When your employees have questions, you have a way to find and send straightforward, take-action information.

Voice of the consumer

We're constantly improving customer experience based on feedback received through

- Call center
- Medallia*
- Mobile app reviews

Minor victories add up to the **retirement you want.**

"You're in good hands"

- **No. 1** defined benefit recordkeeper [1]
- **No. 1** for participant service and support [2]
- **No.1** in satisfaction for PTP and plan sponsor website & online capabilities [3]

*Medallia is not an affiliate of any company of the Principal Financial Group.
[1] No. 1 DB recordkeeper by number of plans. PLANSPONSOR Defined Benefit Adminstration survey, May 2020
[2] Escalent. Cogent Syndicated. Cogent Retirement Plan Advisor Trends™. October 2019
[3] Escalent. Cogent Syndicated. Cogent Syndicated Retirement Planscape. May 2020

Connecting with key customer groups

Our mission is to make financial security accessible to all. Principal research shows that certain audiences are in need of tailored resources. To help meet and exceed the needs of these groups, we're rolling out new experiences and resources that are relevant and personalized.

Super Savers

Participants who are deferring 90% or more of the IRS max or those who are saving 15% or more in their employer sponsored retirement plan.

- Communications
- eMagazine, webinars
- Virtual 1-on-1 education
- Landing page experience

Hispanic

Cultural and language differences can pose challenges for Hispanic savers to engage with their retirement plans. Principal Hola Futuro is our bicultural approach that helps bring a better understanding of financial education to promote positive savings steps.

- Principal Real Start en español
- Hola Futuro financial education hub
- Bilingual call center representatives, education opportunities
- eMagazine, webinars

Women

Women have different financial challenges than men—like career interruptions for parent/child caregiving, overcoming pay gaps, and the potential for increased health care costs due to living longer. We're developing education tailored for women to inspire confidence and help them plan for tomorrow.

- eMagazines, webinars
- Education oppportunities
- Communications , including expanded annual retirement planning journey

Non-participants

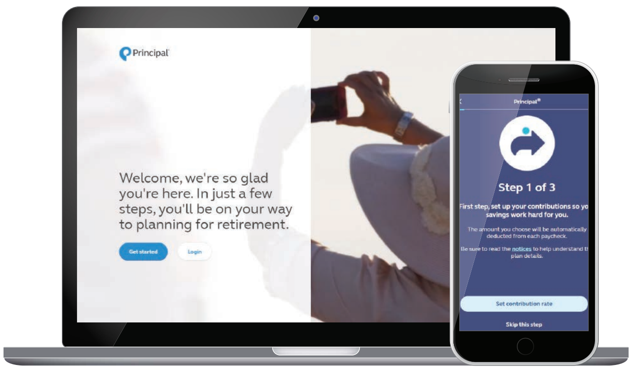
There are many reasons why potential participants may not enroll during the regular enrollment period. To encourage this group to enroll, we've developed specific experiences through journeys and support to help intrigue and inspire non-participants to save for their future and retire on time.

- eMagazine, webinars
- Communications
- Principal Real Start onboarding experience
- Call center

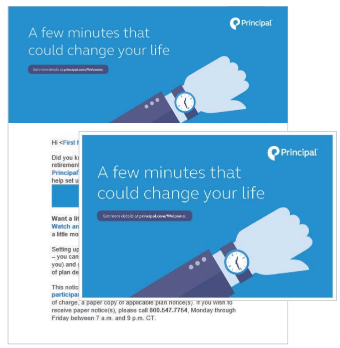
Engage. Elevate. Expand.

Personalized welcome

We're committed to helping participants save enough, protect enough, and have enough throughout their life for retirement. It means making the experience simple, personalized, and actionable. The award-winning Principal® Real Start helps us get started on the right foot to do just that. ✪



More than 30% of Principal® Real Start participants are saving at **10% or more.**[3]



Newly eligible welcome email and letter with a link to personalized site.

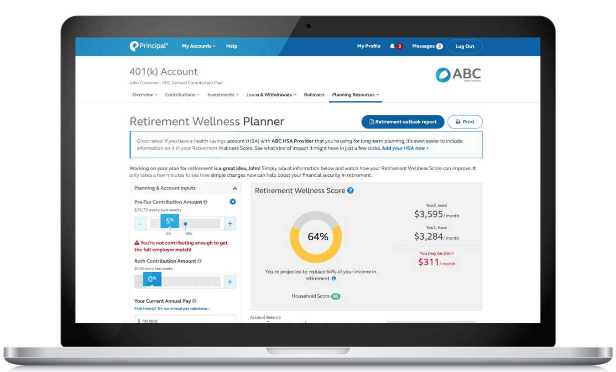
Spanish participant onboarding materials now available

Engage. **Elevate.** Expand.

Elevate the experience

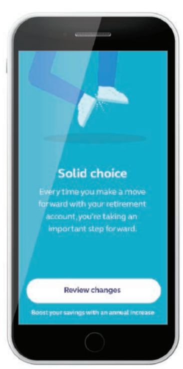
Once a participant engages with us, we continue to deliver powerful communication touch points, including tools and resources to help them get and stay on track for retirement. It's all at their fingertips at principal.com or on the Principal® App.

Retirement Wellness Score and Planner

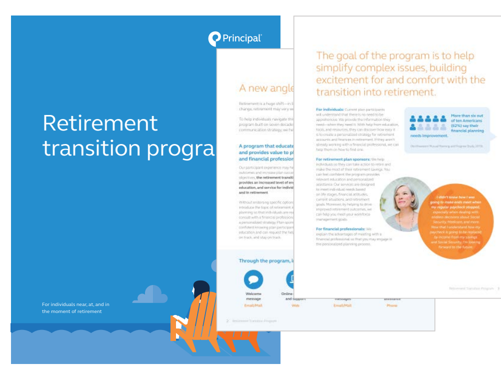


Automatic guided tour for first-time visitors

Principal® App



Retirement Transition Program



principal.com/Retire

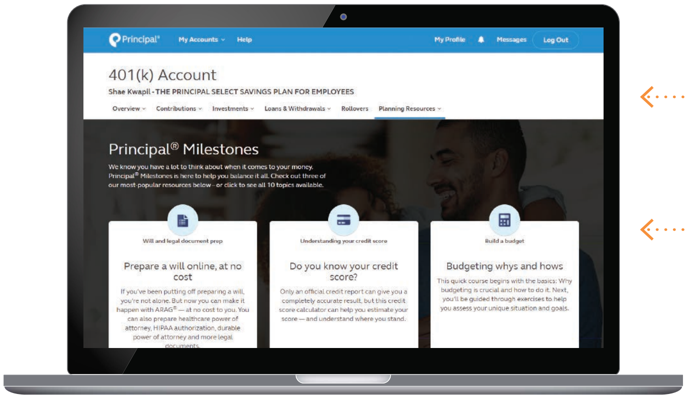
✪ 2019 Retirement Star Award for Digital Education from Investment Management Education Alliance (IMEA)

[3] Principal reporting as of Sept. 30, 2019.

Engage. Elevate. **Expand.**

Balance today's priorities with tomorrow's goals

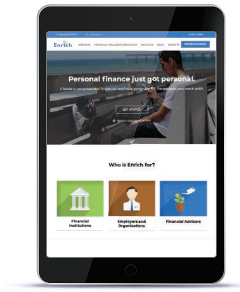
To help people feel more confident with their decisions on money, we teamed with the experts at Enrich and ARAG to create the award-winning Principal® Milestones financial wellness program.



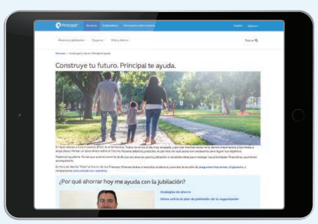
Prepare a will and other legal documents with ARAG.

26,000

Nearly 26,000 individuals have created nearly 44,000 legal documents, at no cost to them or their plan.[5]



Take a course to learn more about money management with Enrich.



Principal® Hola Futuro

Spanish financial wellness website and resources

principal.com/es/HolaFuturo

Principal® Milestones

2020 EDDY Award winner for Financial Wellness category

Real results

The top topics on Principal® Milestones have led to an average **knowledge gain nearly 31%.**[4]

Plan for today

What are some ways I can help pay down my student loans?

Visit principal.com/Milestones to watch a short video to learn how.

You can also learn about:

- Building a budget
- Downsizing debt
- Understanding credit

Plan for tomorrow

Do I really need a will?

Visit principal.com/Milestones and access the ARAG site to prepare a will in a matter of minutes.

You can also learn about:

- Saving for retirement
- Saving for learning
- Covering your health
- Building savings

[4] Principal reporting as of June 30, 2020.

Small steps can help secure your future

With help from engaging campaigns that include targeted, timely messaging and personalized, interactive resources, participants take action.

It doesn't stop there — engagement with resources helps drive outcomes:

16 pt.

higher

average Retirement Wellness Score among participants who use our digital resources

nearly 50%

higher

average deferral among those who use our digital tools and resources

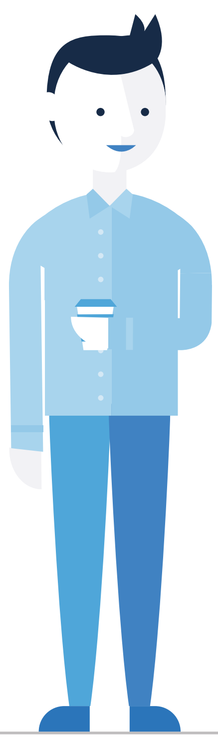
22%

increase

in deferral changes for Principal app users*

Real Results

Principal® Real Start



Our **Principal® Real Start** participant onboarding experience continues to drive positive outcomes, even amidst the global pandemic:

8% The average deferral rate continues to be **nearly 8%**

More than 30% are saving at 10% or more

Another **1 in 3** participants are auto-escalating their way up to 10%

In Q4 2019 we launched the **Spanish version of Principal® Real Start** allowing participants to go through the experience in Spanish. Here are some of the results we're seeing so far:

8% The average deferral rate is **nearly 8%**[5]

30% are saving at 10% or more[5]

Another **1 in 3** participants are auto-escalating their way up to 10%[5]

*Quarter over quarter, 2019-2020

[5] Principal reporting from 07/01/2020 - 09/30/2020. Results are based on a small audience and should not be used for comparison purposes to the overall audience results.

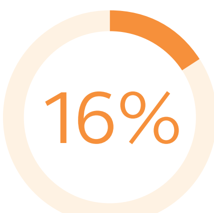
Principal® app

19%

The average deferral rate is **19% higher** for those who use the app[6]

Eight

average **number of visits** a participant makes to the active landing page[6]



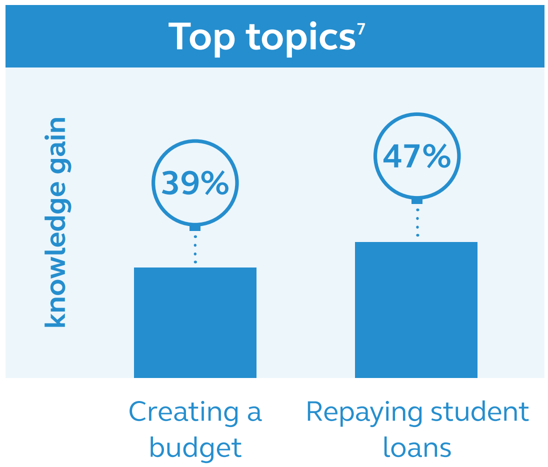
16% of Super Savers are mobile app users[7]

96% of Super Savers have web credentials[7]

Principal® Milestones

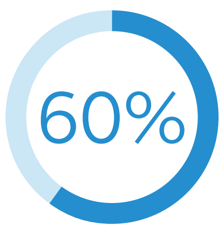
38%

The average deferral rate is **38% higher** for participants who use Principal® Milestones[6]

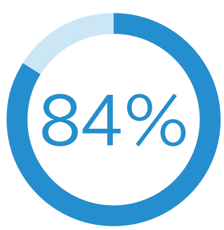


60%

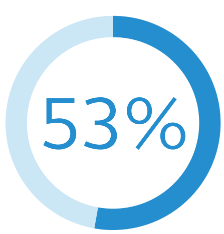
Nearly 60% of individuals who searched for scholarships found options they were able to apply for[7]



Over 60% of Enrich users have started a course with a completion rate of nearly 30%[7]



84% of Principal® Milestones users also have a designated beneficiary[6]



Nearly 53% of Principal® Milestones users are women[6]

[6] Principal reporting as of June 30, 2020.
[7] Principal reporting as of Sept. 30, 2020.

Participant communications

Engaging participants with thoughtful campaigns based on their individual needs and interests.

They'll receive information through the participant website, mobile app, contact center, social media, T.V. and advertising.

Participant communications*

Engage	Personalized campaigns that get participants engaged from the beginning to help them get on the right path toward retirement **Timing:** Based on eligibility and enrollment dates	• Eligibility & enrollment reminders & promotions • Secure account reminder • Retirement Wellness Score • 10% saving story	• Consolidate accounts • Investment services • Beneficiary designation • Subscription set up • Principal® Milestones • Onboarding survey
Elevate	Campaign journeys that provide ongoing support to participants through their retirement journey. All while providing resources to help them get and stay on track for retirement. **Timing:** Annually; based on personalized actions	• Account security • Subscription preferences • Mobile app promotions • Retirement transition program	• Principal® Milestones • Account checkup • Deferral review • Investment review • Beneficiary review
Expand	Educational campaigns that expand beyond retirement planning and help participants tackle their immediate needs **Timing:** Monthly; based on demographics and interests	• Webinar announcements • Webinar reminders & replays ★ • Monthly eMagazines • Principal financial tips with weekly Alexa flash briefings	

2021 webinar calendar

January 20	February 17	March 17	April 21	May 19	June 16
Super Savers	Debt and emergency savings 🌐	HSAs and health care	Reassessing finances after market downturn	Investing	Women and BIPOC
July 21	**August 18**	**September 15**	**October 20**	**November 17**	**December 8**
Protecting assets, leaving a legacy 🌐	Nearing retirement checklist	Retirement savings accounts	Estate planning	Taxes	Social Security

*Communications and timing are subject to change.

🌐 Webinars will be transcreated in Spanish

★ Recognized in the Ongoing Investment Education Category of the 2017 Pensions & Investments Eddy Awards. Awards were judged on the effectiveness and completeness of their investment education messages.

What's new & what's coming in 2021

Engage:

› Mobile app enhancements

The award-winning Real Start will be available through the Principal mobile app, and push notifications will be sent to encourage taking action.

Elevate:

› Managed Accounts

› My Virtual Coach 2.0

› Retirement Transition Program

› Benefit Event

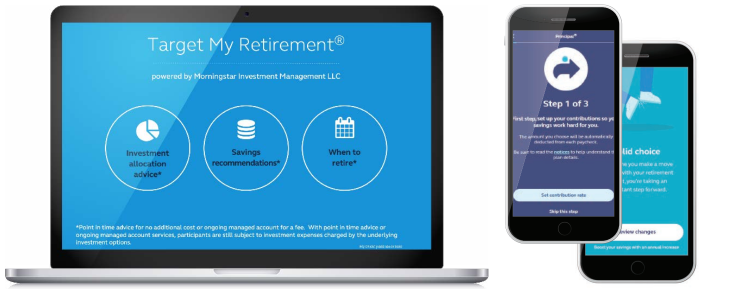
Expand:

› Enrich enhancements

A new look to Enrich will be coming to participants. In addition, a more robust library of resources for Hispanic participants.

Target My Retirement

Principal Mobile App



New and enhanced campaigns depending on market conditions and needs

Participant engagement dashboard for plan sponsors

Real Start mobile

- Award-winning enrollment experience is now available via the Principal® App.

Virtual education expansion

- Virtual education allows participants to ask questions and get answers wherever and whenever they need.

My Virtual Coach 2.0

- New and improved personalized, interactive, and educational conversations.

Retirement transition program

- Providing an increased level of engagement, education and service for individuals near, at, and in retirement.

New and enhanced campaigns depending on market conditions and needs

Benefit event experience

Educating participants on distribution options for their retirement savings during an employment change.

Connecting and educating through:

- Email
- Phone
- Letter
- Digital

principal.com