

Take the first step toward your retirement

We'll help you get started

What Principal[®] means for you

- Over 140 years in financial services
- Over 80 years in the retirement plan services industry¹
- Total retirement solutions
- A leading provider of defined contribution plans²
- 45 million customers worldwide³

¹ Over 140 years of experience 1879 – 2020; over 80 years in the retirement plan industry 1941 – 2022.

² PLANSPONSOR Recordkeeping Survey, July 2019. Principal and Wells Fargo IRT combined Plansponsor.com data as of July 2019. Future market share is subject to change and won't be updated until next release of applicable data.

³ As of June 30, 2021.



Three steps to get you on your way toward retirement:

1

Set up your account

2

See if you're on track

3

Review your investment options



Set up your account

principal.com/Welcome

Getting started

- Eligible if: **Age 18**
- Select your salary deferral percentage—anywhere between **1-100%** of your eligible pay*
- To select your investment mix, refer to the Investment Option Summary included in your workbook for a full listing of investment options
 - Unless you make a different investment election prior to your first contribution, your contributions will be directed to the Plan’s default investment option as selected by the plan sponsor**

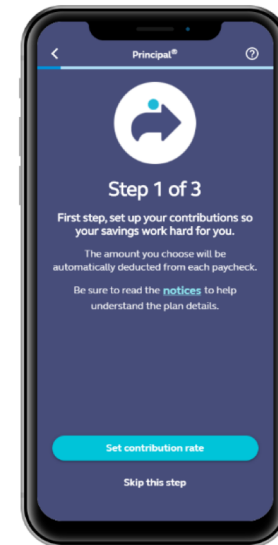
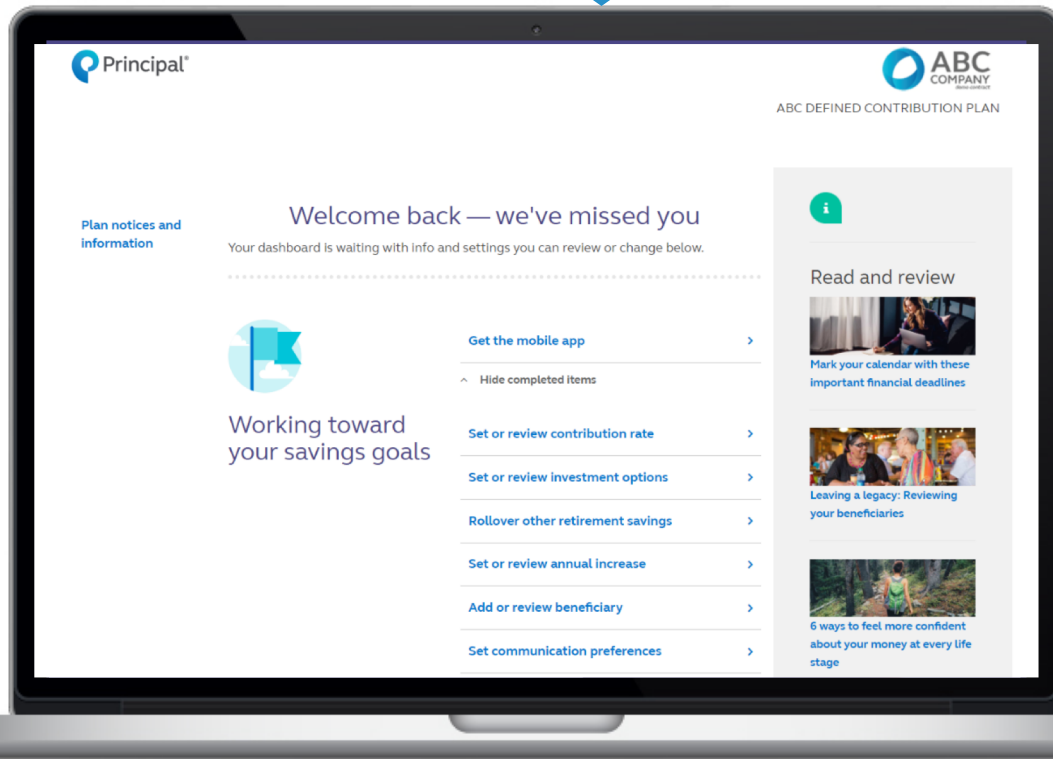
The legal plan document governs the employer's plan. If any feature discrepancies, the legal plan document will govern.

*Contributions are limited to the lesser of the plan or the IRS limit as indexed.

**See enrollment form or enroll online for Plan’s default investment.

Get started with Principal[®] Real Start!

www.principal.com/welcome



For illustrative purposes only.



Enroll today!

principal.com/Welcome

- Set up your account
- Elect a contribution amount
- Choose your mix of investment options

2

See if you're on track

Consider saving as much as you can, as early as you can

Potential savings

Diane begins to contribute 8% of her pay right away.

Total Contributions
\$133,200

David begins to contribute 8% of his pay after 10 years.

Total Contributions
\$101,100



This chart assumes a starting salary of \$35,000, 3% annual salary raise, and a 6% annual rate of return on investment, compounded biweekly. This example is for illustrative purposes only. The assumed rate of return is hypothetical and does not guarantee any future returns nor represent the return of any particular investment option. Amounts shown do not reflect the impact of taxes on pre-tax deductions. Individual taxpayer circumstances may vary.



Save on taxes

How it works	6% contribution	No contribution
Biweekly pay	\$1,346.15	\$1,346.15
Contribution	\$80.77	\$0
Taxable income	\$1,265.38	\$1,346.15
Taxes (assuming 25% tax bracket)	\$316.35	\$336.54
Take-home pay	\$949.03	\$1,009.61

Tax savings

\$20.19

The \$80.77 contribution reduced the pay by **only \$60.58**

(\$1,009.61 - \$949.03 = \$60.58)

This chart assumes 25% in taxes, which includes local, state, and federal taxes; amounts shown reflect what a person might receive if not deferred. Reduced take-home pay is accurate for the initial year and would change based on participant's annual pay. For illustrative purposes only.



Low impact on your take-home pay

Current annual salary	Salary contribution reduction in biweekly paycheck				
	4%	6%	8%	10%	12%
\$20,000	\$23	\$35	\$46	\$58	\$69
\$30,000	\$35	\$52	\$69	\$87	\$104
\$40,000	\$46	\$69	\$92	\$115	\$138
\$60,000	\$69	\$104	\$138	\$173	\$208
\$80,000	\$92	\$138	\$185	\$231	\$277
\$100,000	\$115	\$173	\$231	\$288	\$346

This chart assumes 25% in taxes, which includes local, state, and federal taxes; amounts shown reflect what a person might receive if not deferred. Reduced take-home pay is accurate for the initial year and would change based on participant's annual pay. For illustrative purposes only.

Roth elective deferral contributions

Roth elective deferral contributions

- Additional way to save for retirement
- After-tax contributions
- Distributions generally tax-free (if requirements are met)*
- Subject to annual limitations

*A qualified distribution is one that is made after a participant reaches age 59½, death or disability and must be made at least five years after the first Roth 401(k) contribution was made.

Deferrals limited to the lesser of the plan or IRS limits as indexed for the current calendar year.

See IRS website for annual limits for deferrals.



Are you a good candidate for Roth?

- Exceed income limits for Roth IRA
- Higher tax bracket
- Participate in organization-sponsored defined benefit plan so may have more income taxable in retirement

To learn more about a Roth 401(k), talk to your financial professional or a Principal[®] retirement specialist at **800-547-7754**.

*A qualified distribution is one that is made after a participant reaches age 59½, death or disability and must be made at least five years after the first Roth 401(k) contribution was made. Deferrals limited to the lesser of the plan or IRS limits as indexed for the current calendar year. See IRS website for annual limits for deferrals.

How much will you potentially need to save for retirement?



Use the Retirement Wellness Planner or the retirement savings worksheet



Consider your goals and expenses

10%

Save at least 10% throughout your career*

*Based on analysis conducted by the Principal Financial Group®, November 2019. The estimate assumes a 40-year span of accumulating savings and the following facts: retirement at age 65; a combined individual and plan sponsor contribution of 12%; Social Security providing 40% replacement of income: 4.5% withdrawal of retirement savings; 6% annual market returns; 2% annual inflation; and 3% annual wage growth over 40 years in the workforce. This estimate is based on a goal of replacing about 80% of salary. The assumed rate of return for the analysis is hypothetical and does not guarantee any future returns nor represent the return of any particular investment. Contributions do not take into account the impact of taxes on pre-tax distributions. Individual results will vary. Participants should regularly review their savings progress and post-retirement needs.

3

Review your
investment options



The basics of investing

- Diversify
- Rebalance
- Stay invested
- Monitor investment choices

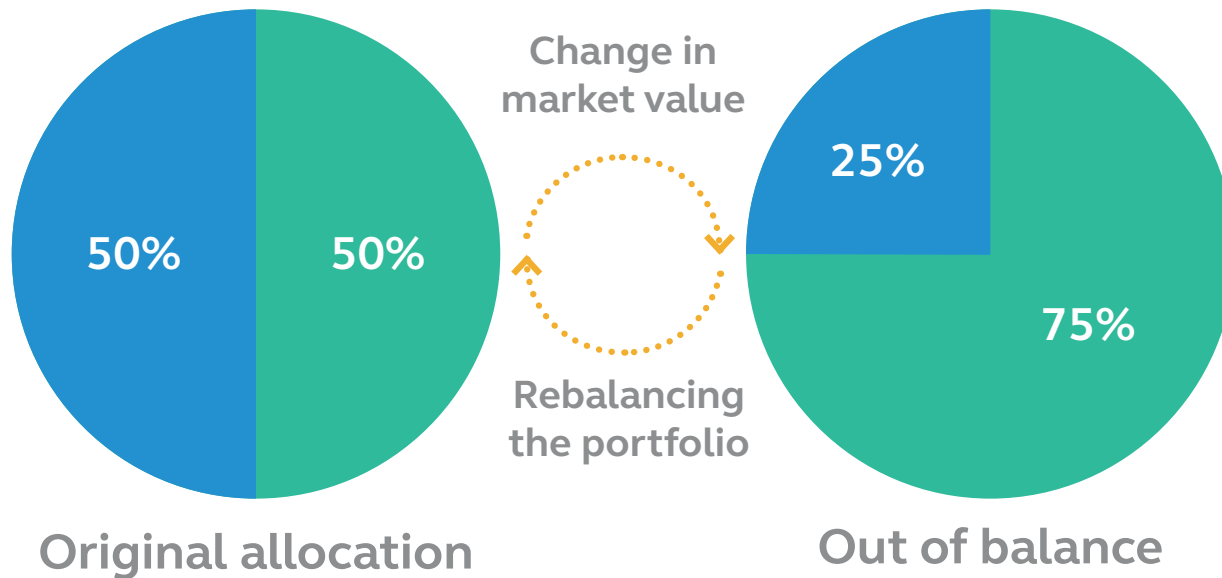
Asset allocation and diversification do not ensure a profit or protect against a loss.

Diversify



Asset allocation and diversification do not ensure a profit or protect against a loss.

Rebalance



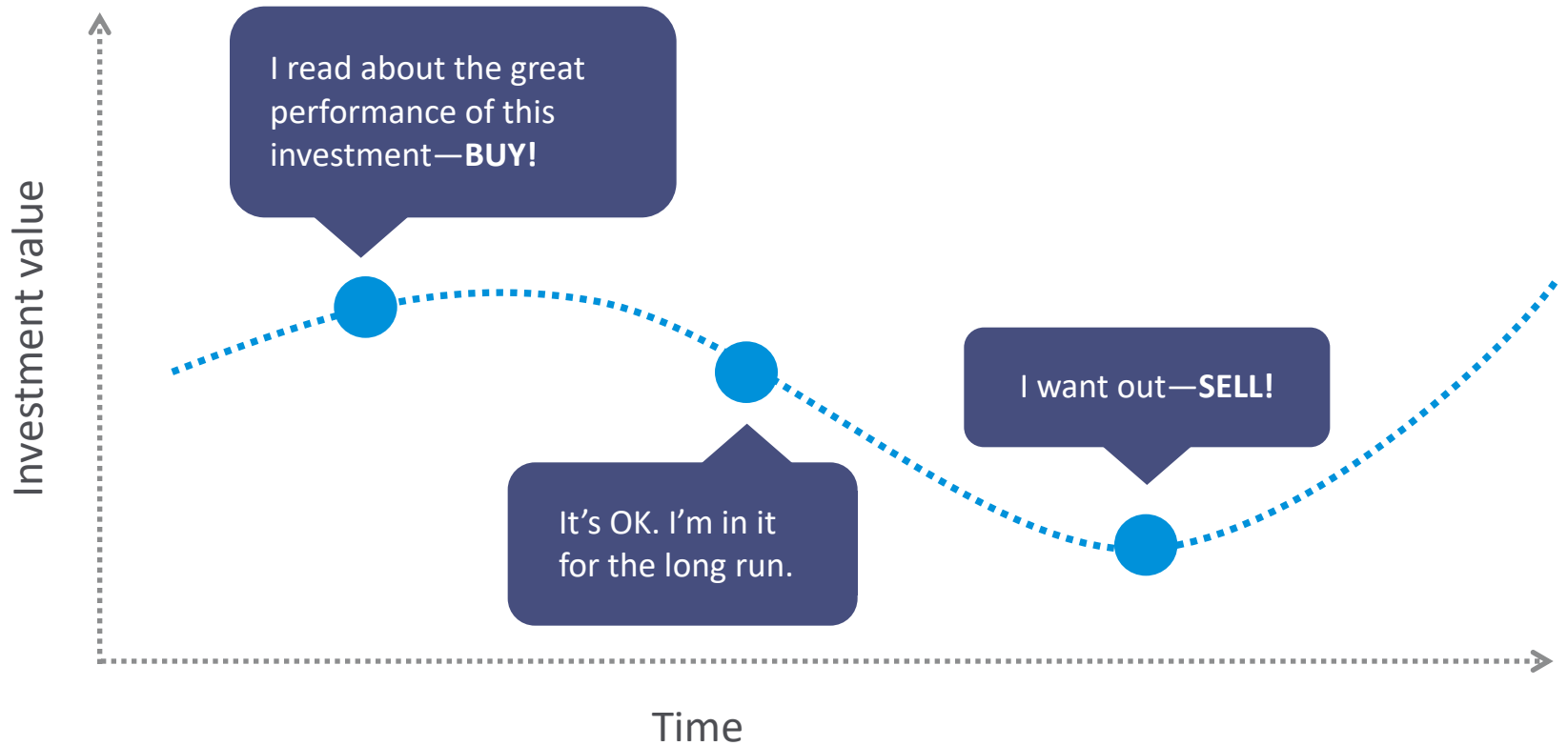
Lower risk/return ← → Higher risk/return

Bonds

Stocks

Asset allocation and diversification do not ensure a profit or protect against a loss.

Stay invested



Example—for illustrative purposes only.

Dollar Cost Averaging involves continuous investing. Investors need to consider their ability and willingness to continue investing through periods of low price levels. This does not assure a profit nor protect against loss in declining markets.

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Monitor investment choices

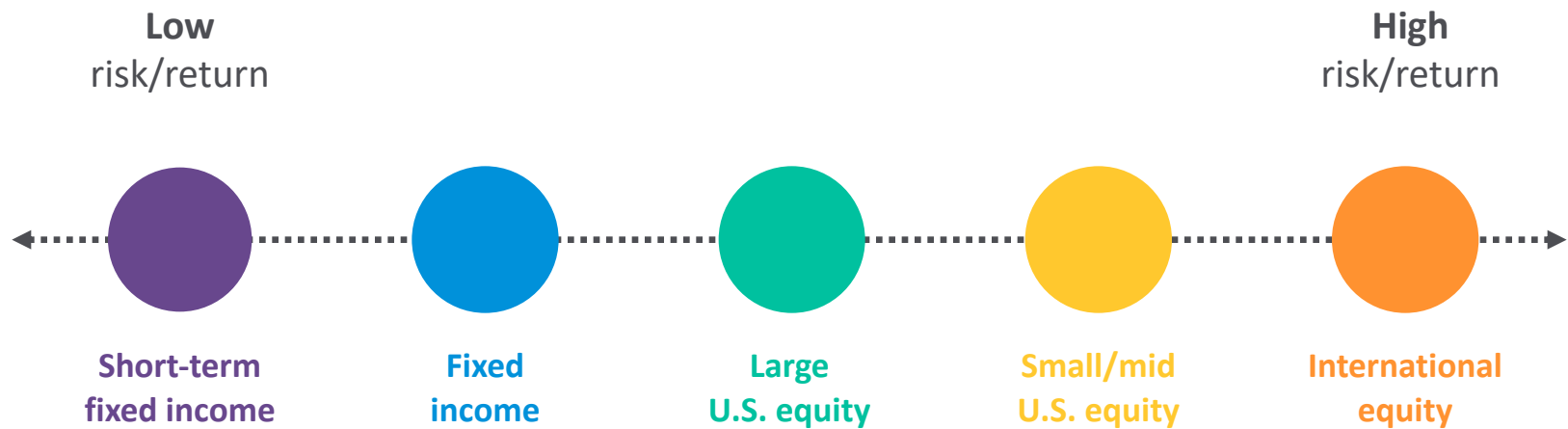


At least annually or as significant events occur, you should review the way your savings are invested and what investment choices are available through the retirement plan.

What kind of investor are you?




Levels of risk/asset classes



Asset allocation and diversification do not ensure a profit or protect against a loss.



Take the Investor Profile Quiz



Need Help? 1-800-547-7754
Monday through Friday, 7 a.m. - 9 p.m. CT

Investor Profile Quiz


Not sure what type of investor you are? No problem.
Knowing how comfortable you are with risk and the number of years to retirement can help.

Please take a moment to answer eight simple questions to help determine your investor profile which suggests what mix of investment options may be right for you.

1 of 8

How much do you know about investing?

- Just learning the ropes
- Somewhat knowledgeable
- An Expert

 Next

Please keep in mind that information provided in the Investor Profile Quiz is educational and just a guideline—it isn't meant to tell you how to invest.

Important information

Investment and Insurance products are:

- **Not Insured by the FDIC or Any Federal Government Agency**
- **Not a Deposit or Other Obligation of, or Guaranteed by, Principal Bank or Any Bank Affiliate**
- **Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested**

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.

Small and mid-cap stocks may have additional risks including greater price volatility.

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**.

The subject matter in this communication is educational only and provided with the understanding that Principal® is not rendering legal, accounting, or tax advice. You should consult with appropriate counsel, financial professionals, and other advisors on all matters pertaining to legal, tax, or accounting obligations and requirements.

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Benefits of target date funds

1

Broad asset allocation

2

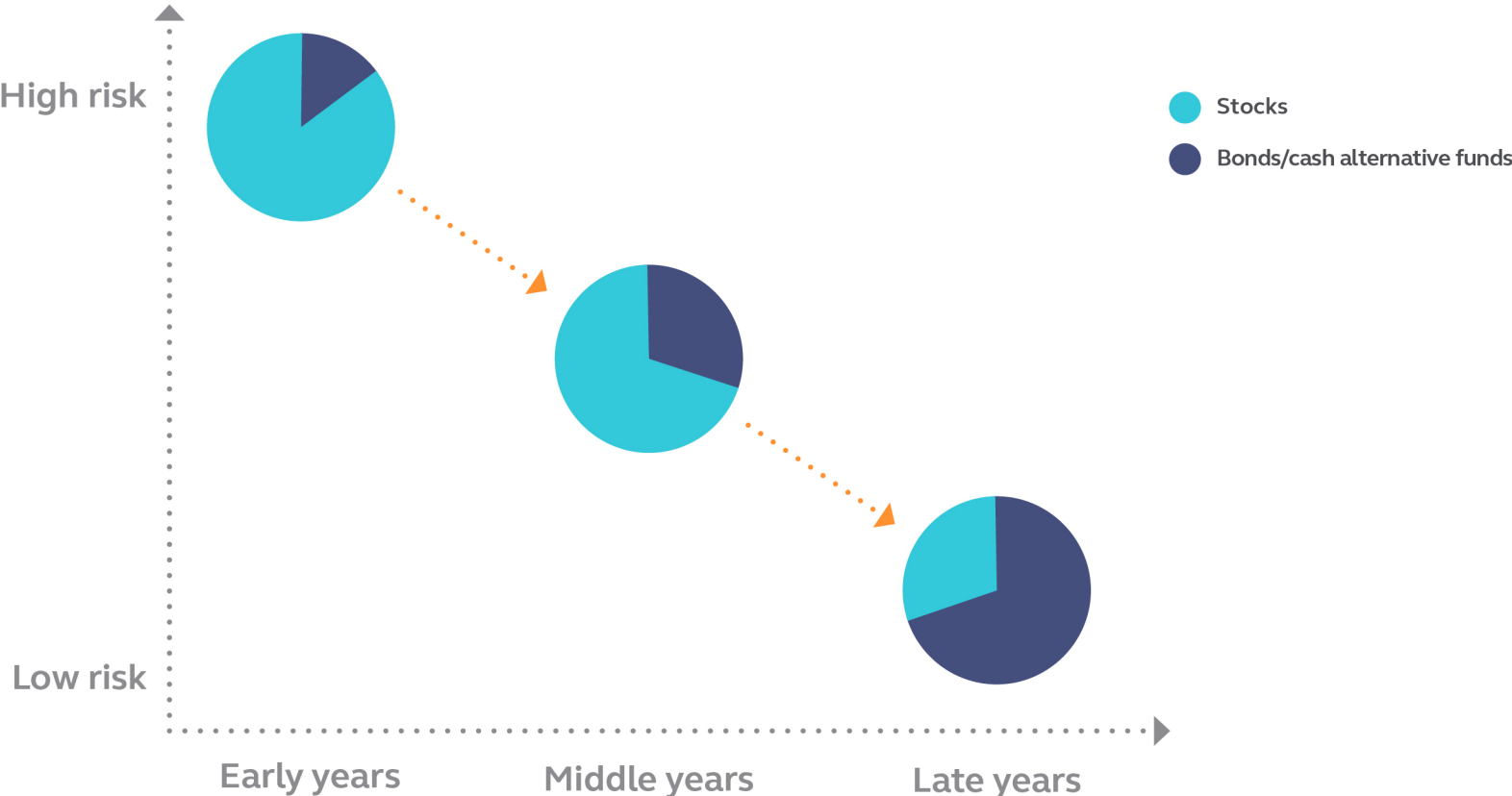
Managed by professionals

3

Automatically rebalance and adjust over time

Asset mix adjusts as you age

How a target date fund changes over time



For illustrative purposes only.

Asset allocation and diversification do not ensure a profit or protect against a loss.

Diversified investment approach



A single target date portfolio
with underlying investment
options from a variety of
asset classes



Professionally managed

Asset allocation and diversification do not ensure a profit or protect against a loss.

Designate a beneficiary



Make sure your savings goes to the right person

- Online at principal.com/Beneficiary
- Request a beneficiary form from your organization

Beneficiary designations are legal designations that are needed whenever a qualified retirement plan provides benefits to beneficiaries of deceased participants. They state who is to receive the benefits and how benefits are to be paid in the event of a plan participant's death. Certain beneficiary designations cannot be completed online. Instead, a paper form must be completed and signed. If needed, you will be given the option to print the paper beneficiary form from the website. Based on your marital status, your designation may require spousal approval.

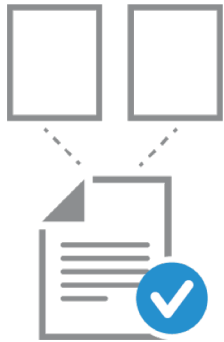
Rollovers



Know your options

1. Consolidate retirement funds in your organization's plan with Principal®
2. Roll funds into an individual retirement account (IRA)
3. Keep funds in your current account(s)
4. Cash out

You should consider the differences in investment options and risks, fees and expenses, tax implications, services and penalty-free withdrawals for your various options. There may be other factors to consider due to your specific needs and situation. You may wish to consult your tax advisor or legal counsel.



Rolling over to the plan

- Online at principal.com/Simplify
- Request a rollover form from your organization

You should consider the differences in investment options and risks, fees and expenses, tax implications, services and penalty-free withdrawals for your various options. There may be other factors to consider due to your specific needs and situation. You may wish to consult your tax advisor or legal counsel.

Helping you get—and stay—
on track for retirement



Principal[®] Milestones

Enhance today. Embrace tomorrow.

Live well today and plan well tomorrow with financial wellness resources from Principal[®] Milestones, including:

From ARAG:

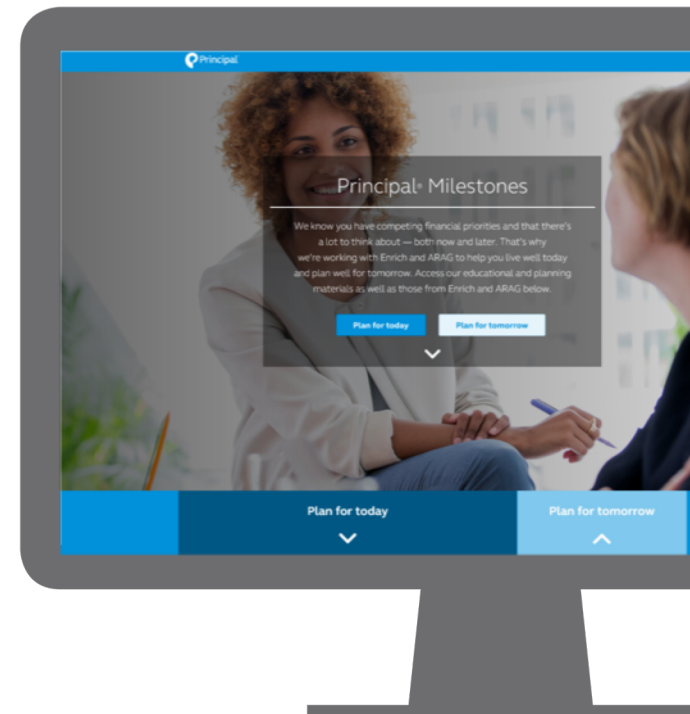
- Prepare a will or another legal document

From Enrich:

- Compare student loan repayment options
- Build a budget and use the emergency savings calculator
- Learn about managing debt
- Take interactive courses on saving for health care & more



Get started at principal.com/Milestones



Important information

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Manage your plan for retirement

- Retirement Wellness Score
- Retirement Wellness Planner
- Principal[®] app
- Up-to-date investment information
- Alexa flash briefings
- Principal[®] Milestones
- 24/7 account access
- Participant e-magazine
- Monthly webinars at principal.com/LearnNow

Let's connect



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principal.com/OnTheGo



Important information

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**.

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The Retirement Wellness Planner information and Retirement Wellness Score are limited only to the inputs and other financial assumptions and is not intended to be a financial plan or investment advice from any company of the Principal Financial Group® or plan sponsor. This calculator only provides education which may be helpful in making personal financial decisions. Responsibility for those decisions is assumed by the participant, not the plan sponsor and not Principal®. Individual results will vary. Participants should regularly review their savings progress and post-retirement needs.

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Thank you