

Principal Dynamic Growth Equity



Mid Cap Growth

30 June 2022

Performance

(%)	YTD 2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
MC composite (gross of fees)	-32.0	15.5	62.4	32.4	-8.1	30.0	4.0	2.9	12.6	36.1
MC composite (net of fees)	-28.3	14.8	61.2	31.4	-8.8	29.0	3.3	2.1	11.8	35.1
Russell Mid Cap Growth Index	-31.0	12.7	35.6	35.5	-4.8	25.3	7.3	-0.2	11.9	35.7

Annualized performance

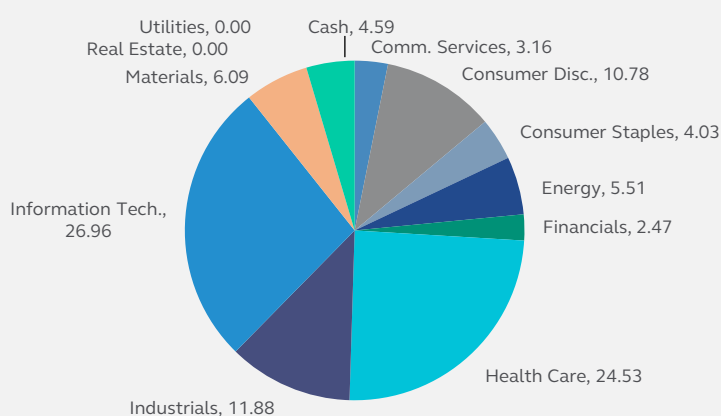
(%)	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
MC composite (gross of fees)	-27.8	9.5	12.0	10.1	13.1
MC composite (net of fees)	-28.3	8.7	11.2	9.3	12.3
Russell Mid Cap Growth Index	-29.6	4.2	8.9	8.3	11.5

Portfolio characteristics*

	Portfolio	Benchmark
Median earnings momentum ¹	35%	14%
Three-year average ¹	31%	18%
Median earnings surprise ²	13%	8%
Three-year average ²	14%	5%
Number of holdings	57	409
EPS growth (NTM)	33%	24%
Sales growth (NTM)	25%	18%
Price/earnings (FY1)	23.7x	24.0x
Market cap (weighted average)	\$24.0B	\$21.4B

Source: FactSet

Sector diversification*



Source: FactSet using GICS (Global Industry Classification Standard) Categories.

¹Earnings momentum: year to year percentage change in current quarter EPS. ²Earnings surprise: quarter surprise/full year estimate, annualized. Past performance does not guarantee future return. Investment guidelines are subject to change. *Principal Dynamic Growth Equities Mid Cap Growth representative portfolio information as of 30 June 2022. Holdings identified do not represent all the securities purchased, sold, or recommended for Principal Dynamic Growth Equities advisory clients. You should not assume that any investment has been or will be profitable. Information should not be construed as a recommendation for or against any security, subsector, or financial product.

Profile

Formerly the Small/MidCap team of Columbus Circle Investors

Originally established in 1975

Mid Cap product inception 1993

Portfolio Manager: Christopher T. Corbett, CFA

Portfolio Manager: Marc R. Shapiro

Firmwide assets: \$1.1 billion

Portfolio construction*

Portfolios typically hold 40 to 70 companies

Minimum initial investment 1.0%

Maximum holding size 5%

Diversified by sectors as well as themes (a group of stocks related by a common driver)

Sector exposure: greater of 25% or 10% above Growth Index weight

Theme diversification: maximum single theme exposure of 25%

Investment objective

This strategy's objective is to seek long-term capital appreciation and outperform our peers and the Russell Mid Cap Growth Index over a market cycle by investing in a diversified Mid Cap Growth portfolio.

Strategy

Mid Cap growth portfolios are managed using Principal Dynamic Growth Equities **Fundamental Momentum & Positive Surprise** investment philosophy. This philosophy is based on the belief that *fundamental momentum* in a company's progress plus *positive surprise* in reported results produces rising stock prices. Simply, when a company is experiencing positive fundamental change in business momentum and is exceeding investor expectations, growth rates will accelerate. This strategy leads to participation in strong secular trends which provide an ideal backdrop for fundamental momentum and results. The composition of portfolios evolves as holdings are rotated toward areas of high growth and positive surprise.

Past performance is no guarantee of future results. Investing involves risk, including possible loss of principal. Equity markets are subject to many factors, including economic conditions, government regulations, market sentiment, local and international political events, and environmental and technological issues that may impact return and volatility. Small-cap stocks may have additional risks including greater price volatility.

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All figures shown in this document are in US dollars unless otherwise noted. Indices are unmanaged and do not consider fees, expenses and transaction costs are not available for direct investment.

The Russell Midcap® Growth Index measures the performance of the midcap growth segment of the US equity universe. It includes those Russell Midcap Index companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years). The Russell Midcap® Growth Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap growth market. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap growth market.

Each portfolio included in the composite is managed according to its own individual investment restrictions and limitations and therefore their characteristics may vary from those of the Representative Portfolio shown. Portfolio performance, characteristics and volatility may differ from the benchmark shown. Holdings and weightings are subject to change daily. The holdings listed should not be considered a recommendation to purchase or sell any security and there is no assurance an investment in these securities will be profitable.

Net performance results reflect a reduction for investment advisory fees based on the firm's applicable asset management fee schedule. For the periods from January 1, 2021 through February 28, 2021 composite net returns are calculated by applying the actual fee schedules at the underlying portfolio level. For all other time periods composite net returns are calculated by applying the current highest management fee. Additional information on calculation of composite performance data is available on request. Actual investment advisory fees charged to clients may vary.

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