

Principal SMA U.S. Small Cap Select Equity

First quarter 2025

Strategy overview

The strategy seeks long-term capital growth by investing primarily in the shares of U.S. small-cap companies.

Portfolio management

Phil Nordhus, CFA

35 years of experience

Brian Pattinson, CFA

31 years of experience

Characteristics^{1,2}

	Portfolio	Index
Composite AUM	\$34.3M	—
UMA/SMA AUM ³	\$106.2M	—
Inception date	01/01/10	—
Number of holdings	116	1,953
Active share	90.9%	—
Earnings growth ⁴	9.7%	9.1%
Earnings revision ⁵	40.2	45.9
Price/earnings (FY1) ⁶	16.3x	16.5x
Return on equity (last 12 months)	8.8%	8.6%

Top 10 holdings^{1,2}

	% of net assets
Tko Group Holdings	2.9
Insmid Incorporated	2.6
Popular, Inc.	2.1
Natera, Inc.	1.8
Chart Industries, Inc.	1.8
Taylor Morrison Home Corporation	1.7
Agree Realty Corporation	1.7
Umb Financial Corporation	1.6
Varonis Systems, Inc.	1.5
Life Time Group Holdings, Inc.	1.5
Total	19.2

See disclosure section for additional details.

Early movers on underappreciated opportunities

- Investing in businesses we believe are becoming better as a result of positive change: innovators, renovators, and pacesetters.
- Identifying potential underappreciated growth and improvement opportunities ahead of the market.
- An experienced team powered by perspective and precision. Phil Nordus has served as lead portfolio manager since 2006.

We focus on investing in businesses becoming better



INNOVATORS

- Industry disruptors and developers
- Forging new markets and solutions
- Progressive research and development



RENOVATORS

- Positive changes putting firms back on track
- Self-help improvements, cyclical recoveries

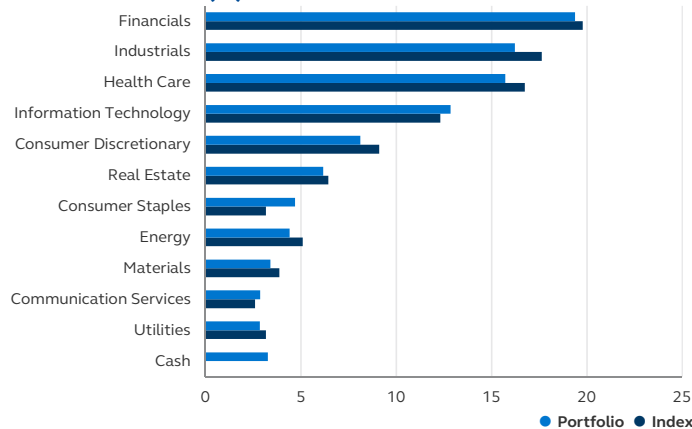
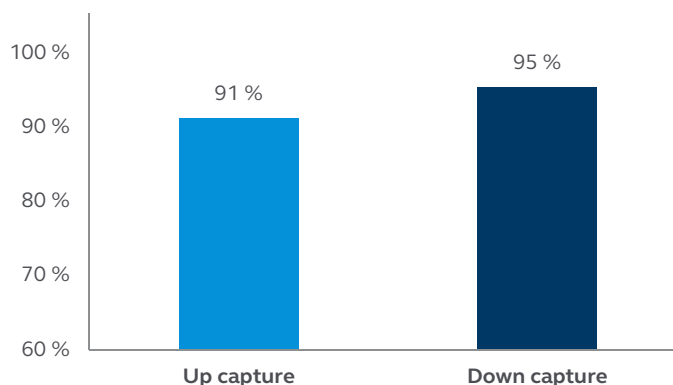


PACESETTERS

- Established steady growers with strong competitive profiles
- Ongoing continual improvement

Why allocate to a portfolio:

- Compelling growth and value characteristics for investors seeking core small-cap equity exposure diversified across sectors.
- Seeks to isolate stock selection as the key driver of results, while avoiding unrewarded risks.

Sector allocation (%)^{1,2}Capture ratios (10-year, gross)^{7,8}

Performance

	Composite performance (%)					
	3-month	1-year	3-year	5-year	10-year	Since inception (01/01/2010)
Principal SMA U.S. Small Cap Select Equity (gross)	-7.83	-5.83	-0.29	11.55	6.66	11.13
Russell 2000® Index	-9.48	-4.01	0.52	13.26	6.29	9.43
Principal SMA U.S. Small Cap Select Equity (net)	-8.54	-8.63	-3.24	8.28	3.52	7.86

Risk statistics (10-year, gross)

	Composite
Sharpe ratio	0.2
Standard deviation	20.0
Information ratio	0.1
Tracking error	4.0

Calendar year returns (%)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Principal SMA U.S. Small Cap Select Equity (gross)	0.53	19.61	11.12	-7.74	29.52	23.70	13.91	-22.10	14.32	10.21
Russell 2000® Index	-4.41	21.31	14.65	-11.01	25.52	19.96	14.82	-20.44	16.93	11.54
Principal SMA U.S. Small Cap Select Equity (net)	-2.45	16.12	7.86	-10.49	25.77	20.09	10.57	-24.46	10.97	6.97

Periods over one year are annualized. Net of fees reflects the gross returns reduced by an assumed maximum bundled fee of 3%. See disclosure section for additional details.

¹ Source: Factset

² The index is the Russell 2000® Index and is described below. Portfolio information is based on the strategy's model portfolio. The holdings shown do not represent all the securities purchased, sold or recommended for any advisory client and in the aggregate may represent only a small percentage of an account's portfolio holdings. Actual portfolios may differ because of account size, client-imposed investment restrictions, the timing of client investments and market, economic and individual company considerations. Securities are shown for illustrative purposes only and are not a solicitation to buy or sell any security or invest in a sector.

³ May include model-only assets managed by the firm, where the firm has no control as to whether investment recommendations are accepted or the firm does not have trading authority over the assets.

⁴ Average of trailing one-year and forward one-year earnings per share (EPS growth)

⁵ Percentage of companies with positive EPS revisions.

⁶ Forward one-year price/earnings estimates

⁷ Portfolio information is based on the strategy's composite.

⁸ Capture ratios: Shows the relationship of the composite's performance to the performance of an index during a specific timeframe, as a percentage of that index's positive (upside capture) and negative (downside capture) performance. Represents quarterly returns for both composite and index returns.

Reported FactSet data is subject to revision over time, which may result in slight differences among data points reported during the same period.

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.

This material covers general information only and does not take account of any investor's investment objectives or financial situation and should not be construed as specific investment advice, a recommendation, or be relied on in any way as a guarantee, promise, forecast or prediction of future events regarding an investment or the markets in general. The opinions and predictions expressed are subject to change without prior notice. The information presented has been derived from sources believed to be accurate; however, we do not independently verify or guarantee its accuracy or validity. Any reference to a specific investment or security does not constitute a recommendation to buy, sell, or hold such investment or security, nor an indication that the investment manager or its affiliates has recommended a specific security for any

client account. Subject to any contrary provisions of applicable law, the investment manager and its affiliates, and their officers, directors, employees, agents, disclaim any express or implied warranty of reliability or accuracy and any responsibility arising in any way (including by reason of negligence) for errors or omissions in the information or data provided.

All figures shown in this document are in U.S. dollars unless otherwise noted.

Indices are unmanaged and do not take into account fees, expenses, and transaction costs. The methods of calculating performance of the composite and the index may not be identical and it is not possible to invest in an index.

The Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000® Index. Information regarding the Russell 2000® Index is available upon request. The index is referred to for comparative purposes only and is not necessarily intended to parallel the risk or investment approach of the portfolios included in the composite.

This strategy is only provided through separately managed accounts program sponsors. Clients should consult a financial professional before making any investment decisions. Financial professionals should consider the appropriateness of the manager, strategy and program for its clients on an initial and ongoing basis.

Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the representative wrap sponsor. Actual returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. Net performance shown reflects the gross returns reduced by a maximum bundled fee which includes brokerage, custodial, and investment management expenses. Actual investment advisory fees incurred by clients may vary.

Actual client portfolios may differ because of account size, client-imposed investment restrictions, the timing of client investments and market, economic and individual company considerations.

Principal Global Investors ("PGI") acts as a discretionary investment manager or non-discretionary model provider in a variety of separately managed account or wrap fee programs ("SMA Program") sponsored by either broker-dealers or another financial services firm ("Sponsor"). When acting as a discretionary investment manager, PGI is responsible for implementing trades in SMA Program accounts. When acting as a non-discretionary model provider, PGI's responsibility is limited to providing non-discretionary investment recommendations of model portfolios to the SMA Program Sponsor who may utilize such recommendations in connection with its management of SMA Program

accounts. In such model SMA Programs ("Model Programs"), it is the Sponsor, and not PGI, which serves as the investment manager to, and has trade implementation responsibility for, the Model Program accounts.

This document is issued in the United States by Principal Global Investors, LLC, which is regulated by the U.S. Securities and Exchange Commission.

Principal Global Investors, LLC (PGI) is registered with the U.S. Commodity Futures Trading Commission (CFTC) as a commodity trading advisor (CTA), a commodity pool operator (CPO) and is a member of the National Futures Association (NFA). PGI advises qualified eligible persons (QEPs) under CFTC Regulation 4.7.

© 2025 Principal Financial Services, Inc., Principal®, Principal Financial Group®, Principal Asset Management, and Principal and the logomark design are registered trademarks and service marks of Principal Financial Services, Inc., a Principal Financial Group company, in various countries around the world and may be used only with the permission of Principal Financial Services, Inc.

Principal Asset ManagementSM is a trade name of Principal Global Investors, LLC. Principal Global Investors leads global asset management at Principal®.

MM10169-26 | 04/2025 | 4358877-082025