

LargeCap Growth I R1 Fund as of 06/30/2021

Investment Strategy

The investment seeks long-term growth of capital. The fund normally invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies with large market capitalizations at the time of purchase. It invests in growth equity securities, an investment strategy that emphasizes buying equity securities of companies whose potential for growth of capital and earnings is expected to be above average. The fund is non-diversified.

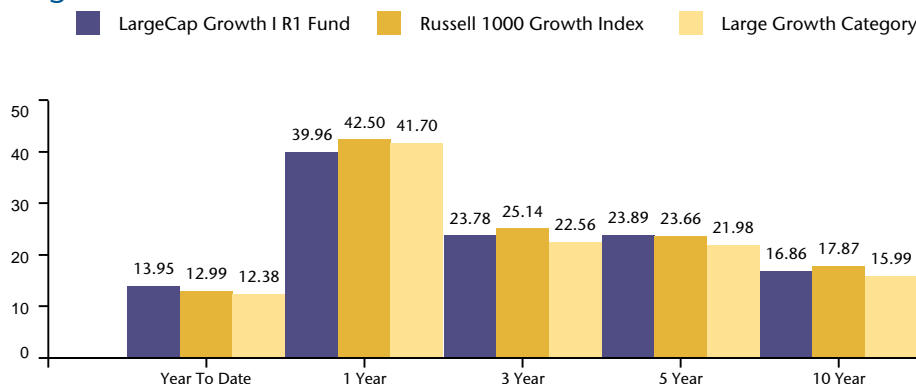


Portfolio managers

James W. Fennessey, CFA. Since 06/02/2009. B.S., Truman State University

Randy L. Welch Since 06/02/2009. M.B.A., Drake University

Long-term returns % as of 06/30/2021



Performance disclosure

Investment results shown represent historical performance and do not guarantee future results. Investment returns and principal values fluctuate with changes in interest rates and other market conditions so the value, when redeemed, may be worth more or less than original costs. Current performance may be lower or higher than the performance data shown. For more performance information, including the most recent month-end performance, visit principal.com, contact your representative of Principal®, or call our Participant Contact Center at 1-800-547-7754.

Where gross and net expense ratios differ or where a contractual cap and/or waiver date is given, the mutual fund or the underlying fund in which a Separate Account invests has waived/capped a portion of its management fees through the date displayed in the waiver expiration date or contractual cap expiration date column. Differences also may be due to the investment adviser's decision to pay (through the same dates) certain expenses that would normally be payable by the fund. Returns displayed are based on net total investment expense.

Long Term Returns	Year To Date	1 Year	3 Year	5 Year	10 Year
Total Return %	13.95	39.96	23.78	23.89	16.86
Russell 1000 Growth Index %	12.99	42.50	25.14	23.66	17.87
Large Growth Category %	12.38	41.70	22.56	21.98	15.99
Morningstar Percentile Rankings	-	57	34	25	33
# of Funds in Category	1272	1239	1138	1024	761
Annual Returns	2020	2019	2018	2017	2016
Total Return %	34.94	33.77	2.88	32.71	0.07
Russell 1000 Growth Index %	38.49	36.39	-1.51	30.21	7.08
Large Growth Category %	35.86	31.90	-2.09	27.67	3.23
Morningstar Percentile Rankings	44	35	10	19	79
# of Funds in Category	1289	1360	1405	1363	1463

Morningstar percentile rankings are based on total returns and in accordance with the appropriate Morningstar peer group. Returns shown for less than one year are not annualized.

Morningstar category

Large Growth

Morningstar Style Box™

As of 05/31/2021

Investment style			Market capitalization
Value	Blend	Growth	
			Large
			Medium
			Small

Risk and Return Statistics

as of 06/30/2021 Relative to Russell 1000 Growth Index

	3Yr	5Yr
Alpha	-0.24	0.88
Beta	0.96	0.97
R-Squared	97.97	96.55
Standard Deviation	19.14	15.85
Mean	23.78	23.89
Sharpe Ratio	1.15	1.37
Excess Return	-1.36	0.22
Tracking Error	2.87	3.00
Information Ratio	-0.48	0.08

Operations

Total Investment Expense Net	1.47%
Total Investment Expense Gross	1.49%
Waiver Expiration Date	02/28/2022
Inception Date	11/01/2004
Extended Performance	
Inception Date#	12/06/2000
Total Net Assets (mil)	\$14,177.64
12b-1 Fees	0.35%
Ticker	PCRSX



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Risk and return statistical data is calculated by Morningstar, Inc. Excess Return is calculated by Principal Life Insurance Company.

LargeCap Growth I R1 Fund as of 06/30/2021

Portfolio information[†]

Composition as of 05/31/2021

Asset Distribution	Asset Type	Net %	Short %	Long %
	U.S. Stocks	92.13	0.00	92.13
	Non-U.S. Stocks	5.95	0.00	5.95
	Preferred	1.11	0.00	1.11
	Cash	0.78	0.78	1.56
	Other	0.03	0.00	0.03

Top ten holdings

	% of net assets
1. Amazon.com Inc	3.64
2. Microsoft Corp	3.43
3. Facebook Inc A	2.67
4. Alphabet Inc A	2.64
5. Alphabet Inc Class C	2.07
6. Microsoft Corp	1.90
7. Mastercard Inc A	1.87
8. PayPal Holdings Inc	1.82
9. Intuitive Surgical Inc	1.78
10. Intuit Inc	1.77
% of net assets in top ten holdings*	23.60

Analysis

# of Stock Hldgs	563
# of Bond Hldgs	0
# of Other Hldgs	17
AvgMktCap (mil)	\$195,528.87
Turnover Ratio	34%
P/C Ratio	22.73
P/B Ratio	6.82
P/E Ratio	33.66

Stock Sector Breakdown

	% of net assets		% of net assets		% of net assets
Cyclical	24.93	Defensive	22.35	Sensitive	52.72
Consumer Cyclical	13.27	Healthcare	17.47	Technology	27.12
Basic Materials	1.96	Consumer Defensive	4.64	Industrials	7.36
Financial Svcs	7.80	Utilities	0.24	Energy	0.04
Real Estate	1.90			Comm Svcs	18.20

Returns shown for periods of less than one year are not annualized. Annualized total returns measure net investment income and capital gain or loss from portfolio investments as an annualized average, assuming the reinvestment of dividends, and without adjusting for loads.

Insurance products and plan administrative services, if applicable, are provided by Principal Life Insurance Company. Principal mutual funds are part of the Principal Funds, Inc. series. Principal Funds, Inc. is distributed by Principal Funds Distributor, Inc. Securities are offered through Principal Securities, Inc., 800-547-7754, member SIPC, and/or independent broker/dealers. Securities sold by a Principal Securities Registered Representative are offered through Principal Securities. Principal Funds Distributor, Principal Securities and Principal Life are members of the Principal Financial Group®, Des Moines, IA 50392. Certain investment options may not be available in all states or U.S. commonwealths.

The full name of this investment option is Principal LargeCap Growth I R1 Fund.

Carefully consider the Fund's objectives, risks, charges, and expenses. Contact your financial professional or visit principal.com for a prospectus, or summary prospectus if available, containing this and other information. Please read it carefully before investing.

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 Credit Union or Bank**
- **Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested**

Russell 1000 Growth Index is a market-capitalization weighted index of those firms in the Russell 1000 with higher price-to-book ratios and higher forecasted growth values.

Past performance is no guarantee of future results. Market indices have been provided for comparison purposes only. They are unmanaged and do not reflect fees or expenses. Individuals cannot invest directly in an index.

Investment Options may charge a short-term trading or redemption fee to protect the interests of long-term Contractholders.

Alpha - The difference between an investment's actual returns and its expected performance, given its level of risk (as measured by beta). **Beta** - An investment's sensitivity to market movements. **R-squared** - Ranges from 0 to 100 and reveals how closely an investment's returns track those of a benchmark index. **Standard Deviation** - Measures how much an investment's returns are likely to fluctuate. **Mean** - Represents the annualized total return for a fund over 3 and 5 years. **Sharpe Ratio** - Measures how an investment balances risks and rewards. The higher the Sharpe ratio, the better the investment's historical risk-adjusted performance. **Excess Return** - The difference between a manager's return and the return of an external standard such as a passive index. **Tracking Error** - The standard deviation or volatility of excess returns. **Information Ratio** - A risk-adjusted measure commonly used to evaluate an active manager's involvement skill. It's defined as the manager's excess return divided by the variability or standard deviation of the excess return.

Average Market Cap - The overall "size" of a stock investment option's portfolio. It is the geometric mean of the market capitalization for all of the stocks it owns and is calculated by raising the market capitalization of each stock to a power equal to that stock's stake in the portfolio. The resulting numbers are multiplied together to produce the geometric mean of the market caps of the stocks in the portfolio, which is reported as average market capitalization.

Price/Cash Flow (projected) Ratio - The ratio of the company's most recent month-end share price to the company's estimated cash flow per share (CPS) for the current fiscal year. Cash flow measures the ability of a business to generate cash and it acts as a gauge of liquidity and solvency. Morningstar calculates internal estimates for the current year CPS based on the most recently reported CPS and average historical cash flow growth rates. Price/cash flow (projected) is one of the five value factors used to calculate the Morningstar Style Box. For portfolios, this data point is calculated by taking an asset-weighted average of the cash flow yields (C/P) of all the stocks in the portfolio and then taking the reciprocal of the result. **Price/Projected Earnings Ratio** - The ratio of the company's most recent month-end share price to the company's estimated earnings per share (EPS) for the current fiscal year. If a third-party estimate for the current year EPS is not available, Morningstar will calculate an internal estimate based on the most recently reported EPS and average historical earnings growth rates. Price/projected earnings is one of the five value factors used to calculate the Morningstar Style Box. For portfolios, this data point is calculated by taking an asset-weighted average of the earnings yields (E/P) of all the stocks in the portfolio and then taking the reciprocal of the result. **Price/Book (projected) Ratio** - The ratio of the company's most recent month-end share price to the company's estimated book value per share (BPS) for the current fiscal year. Book value is the total assets of a company, less total liabilities. Morningstar calculates internal estimates for the current year BPS based on the most recently reported BPS and average historical book value growth rates.

Total Investment Expense - Gross is the current maximum expense ratio, as a percentage of assets that can be applied to this investment option. This does not represent the recordkeeping or individual transactional fees that can be deducted from or reduce the earnings for an investment under your account. However, it does include operating expenses, management fees, including 12b-1 fees, and administrative fees.

Total Investment Expense - Net; you will be responsible for this expense and it will be automatically taken prior to calculating performance. Total Investment Expense - Net is the Total Investment Expense - Gross expense ratio less any fee waivers, reimbursements or caps, if applicable. The expenses ratio, as a percentage of net assets, includes operating expenses, management fees, including 12b-1 fees, and administrative fees.

[†] The Composition depicts a breakdown of the investment option's portfolio holdings, as of the date listed, into general investment classes. The x-axis represents the percentage each investment group holds, with the y-axis representing a zero value. Values to the right of the y-axis represent long security positions, while values to the left of the y-axis represent short security positions. The table to the right of the bar chart sums these two values to present the net emphasis of each investment group. Due to rounding, the total net position may not equal 100%. Long positions involve buying a security and selling it later, with the hope that the security price rises over time. In contrast, short positions are taken to benefit from anticipated price declines. Portfolio holdings are subject to change and companies referenced in this report may not currently be held. Information is current as of the creation of this piece. Keep in mind that portfolio holdings are subject to risk. For a complete list of the most recent publicly available holdings visit principal.com.

[#]These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect a portion of the fees and expenses of this share class. For time periods prior to inception date of the fund, predecessor performance is reflected. Please see the fund's prospectus for more information on specific expenses, and the fund's most recent shareholder report for actual date of first sale. Expenses are deducted from income earned by the fund. As a result, dividends and investment results will differ for each share class.

The manager of the Fund, Principal Global Investors, invests between 10% and 40% of the Fund's assets in common stocks in an attempt to match or exceed the performance of the Fund's benchmark index for performance.

This investment option is considered non-diversified, which means it, or the underlying mutual fund, can invest a higher percentage of its assets in of fewer individual issuers than a diversified investment. As a result, changes in the value of a single investment could cause greater fluctuations, gain or loss, in the net asset value than would occur if it was more diversified.

* Values may exceed 100% if both long and short positions are included in the portfolio.