



Principal REITs Responsible Investment and Engagement Policy Statement

Principal Global Investors has been a signatory to the United Nations Principles for Responsible Investment (UN PRI) since 2010, highlighting the firm’s dedication to Environmental, Social and Governance (ESG) issues. UN PRI works to achieve a sustainable global financial system by encouraging the adoption of six principles and collaboration on their implementation; by fostering good governance, integrity, and accountability; and by addressing obstacles to a sustainable financial system that lie within market practices, structures, and regulation.

The Principal REIT team believes that incorporating ESG factors into our investment process results in a more holistic approach to investment decision-making. ESG is one of many important investment factors that our team of investment professionals consider when assessing a company. Our investment process includes engagement with companies on ESG matters, not only to maximize shareholder value and long-term returns, but also to promote greater transparency, awareness, and adherence to higher ESG standards by encouraging companies to disclose the relevant ESG metrics through public reporting.

The Principal REIT team has adopted the following framework to guide our engagement with companies which we may invest in:

- 1 Engage and collaborate with the companies we invest in to encourage responsible ESG practices with the objective of promoting earnings sustainability and relative valuation.
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- 2 Encourage greater transparency by the companies on their ESG practices.
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- 3 Encourage companies to manage ESG related risks with the purpose of achieving a competitive advantage relative to peers in areas such as climate risk management, renewable energy, sustainable investment, labor policy, remuneration, boards/directors, and other ESG factors that could impact a company.
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- 4 Encourage companies to publicly disclose relevant ESG metrics and its importance to the company’s overall business strategy.
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- 5 Seek out ESG research and conduct independent analysis to further our overall ESG knowledge on a company.
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- 6 Keep records or notes on relevant engagement activities.

Disclosures

Unless otherwise noted, the information in this document has been derived from sources believed to be accurate as of July 2021.

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A mandate managed in line with the investment process outlined in this document will be assessed to see if it meets the criteria to be classified under Article 8 or Article 9 of SFDR. Any disclosures for such a mandate following the investment process, supersede and take precedence over any similar content herein.

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