

INVESTMENT GRADE CORPORATE

31 DECEMBER 2018

STRATEGY DESCRIPTION

An investment grade-rated corporate bond strategy generally invested across all sectors of the investment grade credit universe with an average portfolio credit quality typically maintained in the single A to BBB range.

PORTFOLIO MANAGERS

Timothy R. Warrick, CFA
28 years' experience

Randy R. Woodbury, CFA
22 years' experience

Brad Stoermer
19 years' experience

Craig Dawson, CFA
20 years' experience

Scott Dykstra, CFA
21 years' experience

BENCHMARK

Bloomberg Barclays U.S. Corporate
Investment Grade Index

COMPOSITE PERFORMANCE (%)

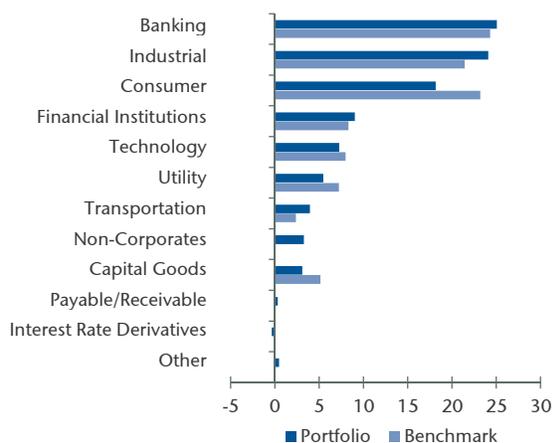
	3M	1YR	3YR	5YR	SI*
Investment Grade Corporate (Gross)	-1.23	-3.68	3.14	3.52	7.22
Bloomberg Barclays U.S. Corporate Investment Grade Index	-0.18	-2.51	3.25	3.28	5.92
Excess Gross Return	-1.05	-1.17	-0.12	0.25	1.30
Investment Grade Corporate (Net)	-1.28	-3.89	2.92	3.30	6.99

Periods over one year are annualized. Past performance is not a reliable indicator of future performance and should not be relied upon to make investment decisions. See back for additional disclosure information.

*Inception Date: 01 January 2009

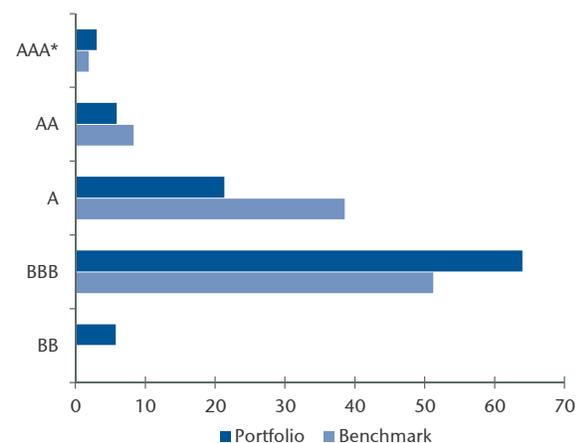
SECTOR DISTRIBUTION†

Market Value (%)



QUALITY DISTRIBUTION†

Market Value (%)



*Includes Cash

PORTFOLIO CHARACTERISTICS†

	Portfolio	Benchmark
Option Adjusted Yield to Worst	4.7%	4.2%
Option Adjusted Duration (Years)	6.9	7.1
Average Credit Quality*	BBB+	A-
Average Coupon	4.4%	4.1%
Average Life	11.9	10.7

* Average Credit Quality shown is not based on ratings of one rating agency. More information regarding the averaging methodology and quality distribution is available upon request.

TOP 10 HOLDINGS (%)†

Company	Portfolio
Goldman Sachs Group Inc/The	1.4
Bank Of America Corp	1.1
Alexandria Real Estate Equities Inc	1.1
Ubs Group Funding Switzerland Ag	1.0
Goldman Sachs Group Inc/The	1.0
Apple Inc	0.9
Skandinaviska Enskilda Banken Ab	0.9
Royal Bank Of Scotland Group Plc	0.9
American International Group Inc	0.9
Citigroup Inc	0.8
Total	9.8

Securities listed are based on the issue, not the issuer.

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Due to rounding, figures and percentages shown may not add to the total or equal 100%.

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Principal Global Fixed Income is a specialized investment management group within Principal Global Investors. Our fixed income capabilities span multiple credit market cycles and draw upon the depth and breadth of our credit research process. Our analysts are industry experts, providing independent credit ratings and investment recommendations on over 1500 issuers.

Our macroeconomic and risk perspective serves as a consistent foundation for evaluating all opportunities and is integrated into the risk management process; this unique part of our process aims to deliver downside risk reduction while allowing for upside capture.

INVESTMENT PHILOSOPHY

We believe superior returns are best achieved for our clients through the integration of rigorous fundamental research, a global perspective, and disciplined risk management.

INVESTMENT PROCESS

Our consistent, repeatable investment process focuses on establishing a macro and risk perspective, which informs the sector allocation and security selection decisions driven by our fundamental research process. Allocation and security decisions are aligned with our client objectives to construct diversified portfolios. Through, ongoing monitoring of macro and issuer risk ensures consistency with those client objectives.

DISCLOSURES

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All figures shown in this document are in U.S. dollars unless otherwise noted. The index benchmarks are referred to for comparative purposes only and are not necessarily intended to parallel the risk or investment approach of the portfolios included in the composites. The two methods of calculating performance of the composite and the index may not be identical and it is not possible to invest in an index. Indices are unmanaged and do not take into account fees, expenses and transaction costs and are not available for direct investment.

Composite Performance

Composite Performance results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite returns are calculated by asset weighting the individual portfolio returns using beginning-of-period values, or a method that reflects both beginning-of-period values and external cash flows. Returns from cash and cash equivalents are included in total return calculations. Gross performance results reflect total time weighted rates of returns, including income and market value changes, are shown net of commissions and other transaction costs incurred in the management of the accounts and include the reinvestment of net realized gains and income. Net performance results reflect a reduction for investment advisory fees based on the firm's applicable asset management fee schedule. Additional information on calculation of composite performance data is available on request. Actual investment advisory fees charged to clients may vary.

Benchmark

The Bloomberg Barclays U.S. Corporate Investment Grade Index includes publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity and quality requirements. To qualify, bonds must be SEC-registered. The corporate sectors are industrial, utility and finance, which include both U.S. and non-U.S. corporations. In reports issued prior to December 30, 2008 the Bloomberg Barclays Credit Index was used for comparison purposes. The benchmark was changed to be more representative of the composite strategy. Information regarding the comparison to the Bloomberg Barclays U.S. Corporate Investment Grade Index is available upon request.

Representative Portfolio

Each portfolio included in the Investment Grade Corporate 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 particular security and there is no assurance an investment in these securities will be profitable. Representative portfolios utilized to illustrate portfolio characteristics are selected on non-performance-based criteria including account restrictions, size that is representative of strategy, length of time under advisor's management and affiliation.

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