

The Principal Financial Group Foundation, Inc. – 2008 Grants

# Giving Our Communities an Edge



## CORPORATE RESPONSIBILITY

Giving back to the communities where we have a presence has been a part of our corporate culture and is a direct extension of our core value of integrity.

### Sustainability in business

Principal Real Estate Investors embraces the movement toward green buildings for properties we invest in on behalf of our clients.

Principal Real Estate Investors has 11 LEED Accredited Professionals on staff and a Green Task Force that focuses on building and operating practices that are environmentally sustainable. We define and measure green features using the U.S. Green Building Council LEED (Leadership in Energy and Environmental Design) Green Building Rating System™. Eighteen properties currently under development for our clients, totaling \$1.7 billion, are in the process of obtaining LEED certification. More than 40 client properties are pursuing LEED-EB (Existing Building) certification, totaling approximately \$2.8 billion.

### Environmental stewardship

With respect to our own properties, we began using the EPA Energy Star program in 2007 to track greenhouse gas emissions each month. In 2008, the Energy Star program concluded that the carbon footprint of The Principal was 42 percent lower than the footprint of similar office users. In addition, we're protecting the environment in a number of ways, including:

- Using outdoor air to cool many of our buildings
- Providing employee subsidies for mass transportation
- Earning a Gold LEED certification for our new Principal Child Development Center

### Community support

The Principal Financial Group Foundation was created in 1987 to support non-profit organizations that address the following needs: health and human services; education; arts and culture; and civic, community and environment. Last year, the grant program benefited more than 750 community agencies around the world.

### United Way

In 2008, our employees, producers and retirees donated more than \$3.35 million to United Ways across the United States, which was matched dollar-for-dollar by the Principal Financial Group Foundation.

### Employee volunteerism

Employees receive eight hours of Volunteer Time Off (VTO) each year to use at a not-for-profit organization of their choice, including churches and schools. Last year, 5,300 employees logged more than 36,000 hours of VTO. And this doesn't include the thousands of hours logged by employees on their own time, including many opportunities facilitated by our Principal Volunteer Network.

Each year, The Principal continues to find unique and meaningful ways to give back, including:

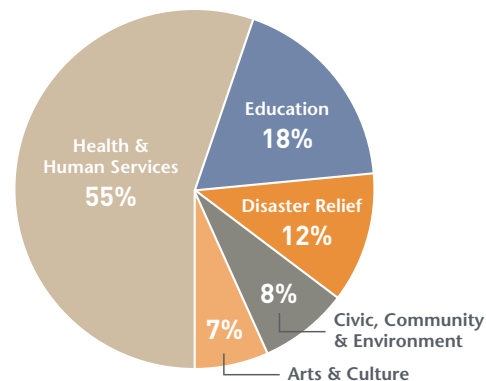
- Celebrating a major company event by providing employees with four "Pay it Forward" hours to use to help a neighbor, friend, co-worker, etc.
- Selling jeans days for \$1 and giving the money to non-profit organizations selected by employees.
- Donating the funds and employee volunteers to help build one Habitat for Humanity home a year.

See our Web site for more information on other exciting initiatives, including The Principal Riverwalk and The Principal Charity Classic.

### Charitable Contributions

2008

In 2008, charitable contributions from the Principal Financial Group and the Principal Financial Group Foundation totaled nearly \$11.3 million. More than 41 percent of those contributions were directed by employees, retirees and producers through our matching gift program.



## CORPORATE GOVERNANCE

Ensuring the organization is governed well through effective, independent oversight of management and company operations has been an important part of our heritage and our success at the Principal Financial Group. For 130 years, each generation of management has been committed to focusing on what is good for those we serve and to operating with integrity.

Here are a few highlights of how we approach corporate governance. For more information, see our Web site at [www.principal.com](http://www.principal.com).

### Board Accountability

- Shareholders elect Directors by majority vote
- Supermajority of independent Directors
- Non-Executive Chairman of the Board
- Presiding Director with leadership role
- Independent Directors hold executive sessions without management present
- Independent Audit, Human Resources and Nominating and Governance Committees
- Corporate Governance Guidelines approved by Board
- Board regularly addresses management succession and planning
- Board annually reviews its performance
- Board Committees annually review their performance
- Individual Director performance evaluations prior to re-nomination
- Director orientation/education program
- Director continuing education requirement
- Director stock ownership guidelines
- Directors must tender resignation on substantive change in career
- All Directors normally attend annual shareholder meetings

### Financial Disclosure and Internal Controls

- Independent Audit Committee
- Audit Committee has two financial experts
- Independent Auditing Firm ratified by shareholders
- Independent Auditing Firm reports solely to Audit Committee
- Company Disclosure Committee

### Shareholder Rights

- All stock-based incentive plans have been approved by shareholders
- An independent tabulator tabulates shareholder votes
- Certificate of Incorporation and By-Laws posted on company Web site

### Executive Compensation

- Independent compensation committee (the "Human Resources Committee") with independent compensation consultant not used by management
- Executive stock ownership requirements

# Our Support

Quality health care. First-class education. Essential human services where and when they are needed most. During the first half of 2008, the Principal Financial Group® and the Principal Financial Group Foundation, Inc., gifted more than \$8.3 million to more than 400 non-profit organizations supporting education and health and human services.

## 2008 Health & Human Services

Grantee Name	City, State	Amount	Grantee Name	City, State	Amount
AARP Foundation	Des Moines, IA	\$20,000	AIDS Project of Central Iowa	Des Moines, IA	\$5,000
Alzheimer's Association of Greater Wisconsin	Green Bay, WI	\$1,000	Alzheimer's Association-Greater Iowa Chapter	West Des Moines, IA	\$5,000
American Cancer Society	Kearney, NE	\$1,000	American Cancer Society Wapello County	Ottumwa, IA	\$250
American Heart Association of Iowa	Des Moines, IA	\$25,000	American Lung Association of Iowa	Des Moines, IA	\$3,000
American Red Cross Central Iowa Chapter	Des Moines, IA	\$5,000	Animal Rescue League of Iowa, Inc.	Des Moines, IA	\$5,000
Arthritis Foundation Iowa Chapter	Des Moines, IA	\$5,000	Bernie Lorenz Recovery, Inc.	Des Moines, IA	\$15,000
Bidwell Riverside Center	Des Moines, IA	\$15,000	Big Brothers Big Sisters of Central Iowa	Clive, IA	\$7,500
Blank Children's Hospital	Des Moines, IA	\$5,000	Boys and Girls Clubs of Black Hawk County	Waterloo, IA	\$3,000
Boys and Girls Clubs of Central Iowa	Des Moines, IA	\$20,000	Broadlawns Medical Center Foundation	Des Moines, IA	\$7,000
Camp Fire USA Heart of the Hawkeye Council	Des Moines, IA	\$3,000	Camp Hertko Hollow, Inc.	Des Moines, IA	\$3,250
Catholic Charities Central Iowa Shelter and Services	Des Moines, IA	\$7,500	Catholic Charities	Wilmington, DE	\$1,500
Children and Families of Iowa	Des Moines, IA	\$10,000	Charlie Brown Child Care Centers	Mason City, IA	\$3,000
Chrysalis Foundation	Des Moines, IA	\$15,000	Children's Beach House, Inc.	Wilmington, DE	\$1,000
Creative Visions	Des Moines, IA	\$5,000	Community Kitchen of North Iowa, Inc.	Mason City, IA	\$848
Delaware Hospice	Wilmington, DE	\$3,000	Crisis Center & Women's Shelter	Ottumwa, IA	\$1,200
Des Moines Area Religious Council	Des Moines, IA	\$1,500	Des Moines Area Interfaith Hospitality Network	Des Moines, IA	\$3,000
		\$5,000	Des Moines Citizens for Community Improvement	Des Moines, IA	\$7,500

<b>Des Moines Habitat for Humanity, Inc.</b>	<b>Des Moines, IA</b>	<b>\$60,000</b>	<b>Des Moines Health Center</b>	<b>Des Moines, IA</b>	<b>\$7,500</b>
<b>Des Moines Pastoral Counseling Center</b>	<b>West Des Moines, IA</b>	<b>\$45,000</b>	<b>Easter Seals Iowa Employee and Family Resources Inc.</b>	<b>Des Moines, IA</b>	<b>\$7,500</b>
<b>El Centro Latinoamericano</b>	<b>Waterloo, IA</b>	<b>\$2,500</b>		<b>Des Moines, IA</b>	<b>\$5,000</b>
<b>Families First of Pella</b>	<b>Pella, IA</b>	<b>\$2,000</b>	<b>First Children's Finance</b>	<b>Minneapolis, MN</b>	<b>\$5,000</b>
<b>FreeStore</b>	<b>West Des Moines, IA</b>	<b>\$2,500</b>	<b>Friends of Iowa CASA</b>	<b>Mason City, IA</b>	<b>\$1,000</b>
<b>Girl Scouts of Greater Iowa</b>	<b>Mason City, IA</b>	<b>\$7,000</b>	<b>Goodwill Industries of Central Iowa</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>
<b>Habitat for Humanity of New Castle County</b>	<b>Wilmington, DE</b>	<b>\$1,500</b>	<b>Harbor House Domestic Abuse Programs, Inc.</b>	<b>Appleton, WI</b>	<b>\$1,500</b>
<b>Harbor of Hope</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>	<b>Hawthorn Hill</b>	<b>Des Moines, IA</b>	<b>\$30,000</b>
<b>Heart Connection</b>	<b>Des Moines, IA</b>	<b>\$3,000</b>	<b>Hispanic Educational Resources</b>	<b>Des Moines, IA</b>	<b>\$7,500</b>
<b>Hope Ministries</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>	<b>Hospice of Central Iowa Foundation</b>	<b>West Des Moines, IA</b>	<b>\$5,000</b>
<b>Hospice of North Iowa Iowa Caregivers Association</b>	<b>Mason City, IA</b>	<b>\$2,000</b>	<b>House of Mercy</b>	<b>Des Moines, IA</b>	<b>\$10,000</b>
	<b>Des Moines, IA</b>	<b>\$5,000</b>	<b>Iowa Dental Foundation</b>	<b>Urbandale, IA</b>	<b>\$7,500</b>
<b>Iowa Donor Network</b>	<b>North Liberty, IA</b>	<b>\$5,000</b>	<b>Iowa Friends of Foster Care Foundation</b>	<b>Johnston, IA</b>	<b>\$3,000</b>
<b>Iowa Heartland Habitat for Humanity</b>	<b>Waterloo, IA</b>	<b>\$3,000</b>	<b>Iowa Legal Aid-Central Iowa Regional Office</b>	<b>Des Moines, IA</b>	<b>\$15,000</b>
<b>Iowa Radio Reading Information Service for the Blind and Print Handicapped, Inc.</b>	<b>Des Moines, IA</b>	<b>\$7,500</b>	<b>Juvenile Diabetes Research Foundation</b>	<b>Johnston, IA</b>	<b>\$10,000</b>
<b>Kiwanis Club of Des Moines Foundation</b>	<b>Des Moines, IA</b>	<b>\$10,000</b>	<b>Leukemia and Lymphoma Society</b>	<b>Des Moines, Iowa</b>	<b>\$5,000</b>
<b>Link Associates</b>	<b>Des Moines, IA</b>	<b>\$1,000</b>	<b>Lutheran Services in Iowa</b>	<b>Waterloo, IA</b>	<b>\$2,500</b>
<b>Lutheran Services in Iowa</b>	<b>Des Moines, IA</b>	<b>\$7,500</b>	<b>Make-A-Wish Foundation of Iowa</b>	<b>Urbandale, IA</b>	<b>\$5,000</b>
<b>Meals on Wheels</b>	<b>Mason City, IA</b>	<b>\$2,000</b>	<b>Mentor Iowa</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>
<b>Mid-Iowa Council of the Boy Scouts of America</b>	<b>Des Moines, IA</b>	<b>\$3,000</b>	<b>NAMI Black Hawk County</b>	<b>Waterloo, IA</b>	<b>\$3,000</b>
<b>Neighborhood Finance Corporation</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>	<b>NIVC Services, Inc</b>	<b>Mason City, IA</b>	<b>\$5,000</b>
<b>North Iowa Transition Center</b>	<b>Mason City, IA</b>	<b>\$4,300</b>	<b>North Star Community Services, Inc.</b>	<b>Waterloo, IA</b>	<b>\$2,000</b>
<b>Northeast Community Center Association</b>	<b>Spokane, WA</b>	<b>\$2,500</b>	<b>Oakridge Neighborhood Services</b>	<b>Des Moines, IA</b>	<b>\$10,000</b>
<b>Opportunity Village</b>	<b>Clear Lake, IA</b>	<b>\$3,000</b>	<b>Orchard Place</b>	<b>Des Moines, IA</b>	<b>\$25,000</b>
<b>Parents United</b>	<b>Mason City, IA</b>	<b>\$2,000</b>	<b>Partners Unlimited</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>
<b>Polk County Crisis and Advocacy Services</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>	<b>Polk County Fathers and Families Coalition-YMCA</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>
<b>Polk County Housing Trust Fund</b>	<b>Des Moines, IA</b>	<b>\$70,000</b>	<b>Prevent Blindness Iowa</b>	<b>Des Moines, IA</b>	<b>\$3,000</b>
<b>Prevent Child Abuse</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>	<b>Primary Health Care,</b>	<b>Urbandale,</b>	<b>\$20,000</b>

<b>Iowa</b>			<b>Inc.</b>	<b>IA</b>	
<b>Progress Industries</b>	<b>Johnston, IA</b>	<b>\$5,000</b>	<b>Project Self-Help &amp; Awareness</b>	<b>Kaukauna, WI</b>	<b>\$1,000</b>
<b>Purdue University</b>	<b>West Lafayette, IN</b>	<b>\$5,000</b>	<b>Reach Counseling Services</b>	<b>Menasha, WI</b>	<b>\$2,000</b>
<b>Rebuilding Together Greater Des Moines</b>	<b>Des Moines, IA</b>	<b>\$7,500</b>	<b>Ronald McDonald House Charities of Central Iowa</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>
<b>Salvation Army SE Iowa Affiliate of the Susan G. Komen Breast Cancer Foundation, Inc.</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>	<b>SE Iowa Affiliate of the Susan G. Komen Breast Cancer Foundation, Inc.</b>	<b>Ottumwa, IA</b>	<b>\$150</b>
<b>Senior College of Greater Des Moines, Inc.</b>	<b>Ottumwa, IA</b>	<b>\$1,000</b>	<b>Second Harvest Inland Northwest</b>	<b>Spokane, WA</b>	<b>\$1,500</b>
<b>Special Olympics Iowa</b>	<b>Des Moines, IA</b>	<b>\$2,000</b>	<b>Shalom Zone Ministries</b>	<b>Des Moines, IA</b>	<b>\$2,500</b>
<b>The 10,000 Hours Show of Central Iowa-United Way of Central Iowa</b>	<b>Grimes, IA</b>	<b>\$10,000</b>	<b>Spokane AIDS Network</b>	<b>Spokane, WA</b>	<b>\$1,000</b>
<b>The Salvation Army-Ottumwa</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>	<b>The Salvation Army</b>	<b>Mason City, IA</b>	<b>\$1,000</b>
<b>Together for Youth/Allen Women's Health Department</b>	<b>Ottumwa, IA</b>	<b>\$1,500</b>	<b>The Susan G. Komen Breast Cancer Foundation</b>	<b>West Des Moines, IA</b>	<b>\$5,000</b>
<b>Variety--The Children's Charity of Iowa</b>	<b>Waterloo, IA</b>	<b>\$4,000</b>	<b>Unity in the Community</b>	<b>Spokane, WA</b>	<b>\$500</b>
<b>Wesley Community Services</b>	<b>Des Moines, IA</b>	<b>\$28,000</b>	<b>Visiting Nurse Services</b>	<b>Des Moines, IA</b>	<b>\$5,000</b>
<b>YMCA of Greater Des Moines</b>	<b>Des Moines, IA</b>	<b>\$10,000</b>	<b>Wildwood Hills Ranch YMCA of the Inland Northwest</b>	<b>St. Charles, IA</b>	<b>\$3,000</b>
<b>Young Women's Resource Center</b>	<b>Des Moines, IA</b>	<b>\$15,000</b>	<b>Youth and Shelter Services, Inc.</b>	<b>Spokane, WA</b>	<b>\$50,000</b>
<b>Youth Emergency Services and Shelter</b>	<b>Des Moines, IA</b>	<b>\$10,000</b>	<b>Youth Homes of Mid America</b>	<b>Des Moines, IA</b>	<b>\$10,000</b>
<b>Youth Law Center</b>	<b>Des Moines, IA</b>	<b>\$15,000</b>	<b>YWCA of Greater Des Moines</b>	<b>Johnston, IA</b>	<b>\$10,000</b>
				<b>Des Moines, IA</b>	<b>\$15,000</b>

# 2008 Education

Grantee Name	City, State	Amount	Grantee Name	City, State	Amount
American Institute of Business	Des Moines, IA	\$10,000	Center Pointe Central Nebraska Council on Alcoholism	Spokane, WA	\$350
Central College	Pella, IA	\$50,000	Delaware Technical and Community College	Grand Island, NE	\$1,500
Central Nebraska Ethnic Festival	Grand Island, NE	\$1,500	Des Moines Business Education Alliance	Dover, DE	\$500
Des Moines Area Community College Foundation	Ankeny, IA	\$10,000	Des Moines Public Library Foundation	Des Moines, IA	\$10,000
Des Moines 'I Have a Dream' Foundation	Des Moines, IA	\$10,000	Drake University	Des Moines, IA	\$1,500
Des Moines University	Des Moines, IA	\$10,000	Everybody Wins!-Iowa Foundation for Private Enterprise Education	Des Moines, IA	\$85,700
El Centro Latinoamericano	Waterloo, IA	\$2,000	GLBT Youth in Iowa Schools Task Force	Des Moines, IA	\$5,000
Financial Executives International	Malvern, PA	\$1,000	Grand Island Community Foundation, Inc.	Federal Way, WA	\$5,000
Friends of Iowa Civil Rights, Inc.	Des Moines, IA	\$1,000	Grand Island Public Library Foundation	Des Moines, IA	\$2,000
Grand Island Area Cancer Endowment (G.R.A.C.E.)-Grand Island Community Foundation	Grand Island, NE	\$500	Hall County Leadership Unlimited, Inc.	Grand Island, NE	\$1,000
Grand Island Education Foundation	Grand Island, NE	\$2,500	Independent Colleges of Washington	Grand Island, NE	\$1,000
Grand View College	Des Moines, IA	\$20,000	Iowa Association of Business and Industry Foundation	Grand Island, NE	\$1,500
Horatio Alger Awards Activities Committee	Alexandria, VA	\$35,000	Iowa Dollars for Scholars, A Program of Scholarship America	Seattle, WA	\$5,000
Institute for Character Development	Des Moines, IA	\$10,000	Iowa Public Television	Des Moines, IA	\$5,000
Iowa College Foundation	Des Moines, IA	\$70,000	Junior Achievement of Delaware, Inc.	Johnston, IA	\$5,000
Iowa Jobs for America's Graduates	Des Moines, IA	\$10,000	Latinos Unidos of Iowa, Inc.	Johnston, IA	\$10,000
Iowa State University Foundation	Ames, IA	\$32,500	Nebraska State Fair Park Foundation	Wilmington, DE	\$2,000
Junior Achievement of Eastern Iowa, Inc.	Cedar Rapids, IA	\$6,000	Practice Without Pressure	Des Moines, IA	\$3,000
Ministry of Caring	Wilmington, DE	\$500	Rock In Prevention	Lincoln, NE	\$300
North Iowa Area Community College Foundation	Mason City, IA	\$12,500	Simpson College	New Castle, DE	\$1,500
Prairie Plains Resource Institute	Aurora, NE	\$1,000	University of Iowa Foundation	Des Moines, IA	\$5,000
Scholarship America	Saint Peter, MN	\$500,000	Volunteer Center of Cedar Valley	Iowa City, IA	\$25,000
Stuhr Museum Foundation	Grand Island, NE	\$8,000		Indianola, IA	\$25,000
University of Northern Iowa Foundation	Cedar Falls, IA	\$27,500		Iowa City, IA	\$50,046
World Food Prize	Des Moines, IA	\$25,000		Waterloo, IA	\$4,000



WE'LL GIVE YOU AN EDGE®

Principal Life Insurance Company, Des Moines, Iowa 50392-0001, [www.principal.com](http://www.principal.com)

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