



# Principal Financial

Subsidiaries: Principal Asset Management

Locations: Iowa (HQ)

Industries: Diversified Financials, Insurance

## RISK LEVEL:



Medium Risk

### DESCRIPTION:

Principal Financial, an insurance and investment company, does not provide viewpoint protections for its employees but has not publicly terminated business relationships based on views or beliefs. Principal Financial scored a 90 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. By complying with Human Rights Campaign's controversial demands, Principal Financial increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children and provides specific sexual orientation and gender identity-based benefits. Principal Financial uses its reputation, corporate funds, and political influence to support controversial sex and gender ideologies, organizations, and legislation. The company is a signatory of the Business Roundtable's 2019 Statement on the Purpose of Corporation, which promotes stakeholder capitalism. However, it does not discriminate against charitable organizations based on views or beliefs and has not lobbied for ideological purposes. For these reasons, Principal Financial receives a Medium Risk rating.

### Corporate Weaponization

**Has denied service to customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries.**

Lower Risk

*Principal Financial.*

**Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs.**

Lower Risk

*Principal Financial does not discriminate against charitable organizations based on views or beliefs. However, it will only match donations to religious organizations that provide non-sectarian services (1). It focuses its charitable donations on groups that primarily help with financial security and stability (2).*

**Employment policies fail to protect against discrimination based on political affiliation/views and/or religion.**

High Risk

*indicates the company provides gender transition guidelines for its employees and a specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). Principal Financial does not provide viewpoint protections for its employees (3). Principal Financial's CEO signed the CEO Action for Diversity & Inclusion pledge, which includes a commitment to promote DEI through bias education training in the workplace (4)(5).*

## Corporate Governance and Public Policy

**Uses corporate reputation to support ideological causes and/or organizations hostile to freedom of expression. High Risk**

*indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (1)(2).customers and harming shareholders. Principal Financial signed an open letter in support of the Equality Act (3). The company advocated against the Religious Freedom Restoration Act in Iowa (4). CEO Daniel J. Houston is a member of the Business Roundtable and signed its 2019 Statement on the Purpose of Corporation, which promotes stakeholder capitalism over traditional obligations to shareholders and customers (5)(6).*

**Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression. High Risk**

*indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (1)(2).customers and harming shareholders.3).*

**Uses corporate political contributions for ideological, non-business purposes. High Risk**

*indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (1)(2). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. Principal Financial does not operate a PAC at this time and has not used its lobbying for ideological purposes (3)(4)(5).*

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