

## Frequently Asked Questions & Answers

### ABOUT NAVEX Global and EthicsPoint

#### Who is NAVEX?

NAVEX Global, which operates the EthicsPoint tool, is a leading global provider of hotline reporting services for large multinational companies such as Principal. NAVEX is contractually committed to confidentiality and privacy. For more information about NAVEX's privacy policies, you can visit <https://www.navexglobal.com>

#### What is EthicsPoint?

EthicsPoint is a comprehensive and confidential reporting tool to assist management and employees to work together to address fraud, abuse, and other misconduct in the workplace, all while cultivating a positive work environment.

#### Why do we need a system like EthicsPoint?

We believe that our employees are our most important asset. By creating open channels of communication, we can promote a positive work environment and maximize productivity. Publicly traded companies are required by law to have an anonymous reporting vehicle to address accounting and auditing fraud directly to the audit committee.

An effective reporting system will augment our other efforts to foster a culture of integrity and ethical decision-making.

### REPORTING – GENERAL

#### May I report using either the Internet or the telephone?

Currently, the EthicsPoint telephone line is only available to individuals in the United States. We are continuing to evaluate expanding the use of the telephone. The EthicsPoint internet reporting tool is available worldwide.

#### What type of situations should I report?

EthicsPoint is designed for employees to report violations of law or other concerns you may have (as permitted by local laws). When you enter EthicsPoint you will be provided a list of issues that you can report about.

#### Can I just report issues to my manager, security or HR and let them deal with it?

Yes. In fact, we encourage you to first bring concerns forward to your direct manager or other member of our management team. We recognize, however, that there may be circumstances when you are not comfortable reporting the issue in this manner. It is for such circumstances we have partnered with NAVEX Global. We would rather you report anonymously (where permitted by local laws) than keep the information to yourself.

#### Does management really want me to report?

We certainly do. In fact, we need you to report. You know what is going on in our company and you may have unique knowledge of an activity that may be cause for concern. Your reporting can minimize the potential negative impact on the company and our people.

#### Where do these reports go? Who can access them?

Reports are entered directly to a NAVEX Global secure server. NAVEX Global then makes these reports available only to specific individuals within the company who are charged with evaluating the report,

based on the type of violation and location of the incident. Each of these report recipients has had training in keeping these reports in the utmost confidence.

## **REPORTING SECURITY & CONFIDENTIALITY**

**It is my understanding that any report I send from a company computer generates a server log that shows every website my PC connects with; won't this log identify me as a report originator?**

NAVEX Global does not generate or maintain any internal connection logs with IP addresses; no information linking your PC to NAVEX Global is available. In fact, NAVEX Global is contractually committed not to pursue a reporter's identity.

If you feel uncomfortable making a report on your work PC, you always have the option of using a PC outside our work environment (such as one located at an Internet café, the library, at a friend's house, etc.) through the NAVEX Global secure website. Many people appear to choose this option, as NAVEX Global's data shows that fewer than 12% of reports are generated during business hours.

**Can I file a report from home and still remain anonymous?**

A report from home, a neighbor's computer, or any Internet portal will remain secure and anonymous, where permitted by local laws. An Internet portal never identifies a visitor by screen name and the NAVEX Global system strips away identifying information, such as an IP address, so that anonymity is maintained. Plus, NAVEX Global is contractually committed not to pursue a reporter's identity.

**Is the telephone toll-free hotline (U.S. only) confidential and anonymous too?**

Yes. You will be asked to provide the same information you would provide in an Internet-based report; the NAVEX Global interviewer will type your responses directly into NAVEX Global's secure environment. The same security and confidentiality measures are applied to a report regardless of whether you submit it via telephone or the internet.

**What if I want to be identified with my report?**

There is a section in the report where you can identify yourself.

## **TIPS & BEST PRACTICES**

**I am aware of some individuals involved in something but it doesn't affect me. Why bother reporting it?**

Our company promotes ethical behavior. All unethical conduct, at any level, ultimately hurts the company and all employees, including you. One only has to consider what happened in recent corporate scandals to see the disastrous effects a seemingly harmless lapse in ethics can have on an otherwise healthy company. If you know of any incidents of misconduct or ethical violations, consider it your duty to yourself and your coworkers to report it.

**I am not sure if what I have observed or heard is a violation of company policy or involves unethical conduct, but it just does not look right to me. What should I do?**

Talk to your direct manager or other member of our management team or file a report. NAVEX Global can help you prepare and file your report so it can be properly understood. We would rather you report a situation that turns out to be harmless than let possibly unethical behavior go unchecked because you were unsure.

**What if my boss or other managers are involved in a violation? Won't they get the report and start a cover-up?**

We have protocols in place designed to ensure a fair and independent investigation. Those protocols include, for example, ensuring that a boss or manager involved in a violation are not responsible for investigating the report.

**What if I remember something important about the incident after I file the report?**

When you file a report, you receive a unique report key and are asked to select a password. With the report key and your password, you can return to the NAVEX Global system again, either by Internet or telephone (U.S. only), and access the original report. At that point, you can add more details.

**What if you have questions for me concerning my report?**

NAVEX Global provides functionality that enables company representatives to post questions for you, even if you report anonymously. When you receive your report key, you will be provided with the amount of time we expect for the report to be processed. When that time has passed, we strongly suggest you check to see if any questions have been posted. Providing the opportunity for such dialogue means situations may not only be identified but can also be resolved, no matter how complex.

**Are these follow-ups on reports as secure as the first one?**

All NAVEX Global correspondences are held in the same strict confidence as the initial report, continuing under the umbrella of anonymity, if you so choose (and where permitted by local laws).