



Principal Financial Group® Announces Second Quarter 2023 Results

July 27, 2023

Declares increase to third quarter 2023 common stock dividend

Company Highlights

- **Second quarter 2023 net income attributable to Principal Financial Group®, Inc. (PFG)¹ of \$389 million, or \$1.58 per diluted share, includes \$64 million of income from exited business.**
- **Second quarter 2023 non-GAAP operating earnings² of \$376 million, or \$1.53 per diluted share.**
- **Returned \$255 million of capital to shareholders in second quarter 2023.**
- **Company declares third quarter 2023 common stock dividend of \$0.65 per share, a 1 cent or 2% increase over second quarter 2023.**
- **Assets under management (AUM) of \$674 billion, which is included in assets under administration (AUA) of \$1.5 trillion.**

DES MOINES, Iowa--(BUSINESS WIRE)-- Principal Financial Group® (Nasdaq: PFG) announced results for second quarter 2023.

- **Non-GAAP net income attributable to PFG excluding income from exited business¹ for second quarter 2023 of \$324.5 million**, compared to \$207.7 million for second quarter 2022. Non-GAAP net income excluding income from exited business per diluted share of \$1.32 for second quarter 2023.
- **Non-GAAP operating earnings for second quarter 2023 of \$375.8 million**, compared to \$424.0 million for second quarter 2022. Non-GAAP operating earnings per diluted share of \$1.53 for second quarter 2023 compared to \$1.65 per diluted share for second quarter 2022.
- **Quarterly common stock dividend of \$0.65 per share** for third quarter 2023 was authorized by the company's Board of Directors, bringing the trailing twelve-month dividend to \$2.57 per share. The dividend will be payable on September 29, 2023, to shareholders of record as of September 7, 2023.

"Our integrated business model and leading position in the small to mid-sized business segment contributed to healthy growth across our Benefits and Protection and U.S. Retirement businesses as well as strong second quarter results with non-GAAP operating earnings of \$376 million. We returned over \$250 million to our shareholders during the quarter and remain confident in our full-year guidance," said Dan Houston, chairman, president, and CEO of Principal®. "

"Despite pressured net cash flow in the quarter, we have momentum going into the remainder of 2023, particularly within global asset management. With markets recovering, we expect greater opportunities to capture assets in our actively managed solutions in the second half of the year. Investment performance rebounded significantly across many of our solutions in the second quarter, and we're confident we have the right capabilities to meet client needs and deliver long-term net cash flows."

Second quarter highlights

- Strong Morningstar investment performance³ with 71% of Principal investment options above median on a one-year basis, 62% on a three-year basis, 76% on a five-year basis, and 85% on a ten-year basis
- Retirement and Income Solutions (RIS) operating margin⁴ of 36%; sales of \$5.5 billion, including \$0.6 billion of pension risk transfer sales
- Principal Global Investors (PGI) managed AUM of \$485.8 billion; operating margin⁵ of 35%
- Principal International (PI) reported AUM of \$174.4 billion, up 17% from second quarter 2022
- Specialty Benefits premium and fees increased 8% from second quarter 2022 driven by continued strong sales, retention, employment and wage growth
- Life Insurance sales increased 28% from second quarter 2022
- Returned \$254.9 million of capital to shareholders during the second quarter, including:
 - \$100.0 million to repurchase 1.4 million shares of common stock; and
 - \$154.9 million of common stock dividends with the \$0.64 per share common dividend paid in the second quarter
- Retired \$700.0 million of long-term debt during the quarter, using the proceeds from issuances in first quarter 2023

Strong financial position

- \$1.2 billion of excess and available capital in our holding companies and other subsidiaries
- Estimated statutory risk-based capital (RBC) ratio for Principal Life Insurance Company of 407%

Segment Results

Retirement and Income Solutions

<i>(in millions except percentages or otherwise noted)</i>	Quarter			Trailing Twelve Months		
	2Q23	2Q22	% Change	2Q23	2Q22	% Change
Pre-tax operating earnings ⁶	\$232.3	\$254.6	(9)%	\$892.4	\$1,031.9	(14)%
Net revenue ⁷	\$639.9	\$651.7	(2)%	\$2,522.3	\$2,784.3	(9)%
Operating margin	36.3%	39.1%		35.4%	37.1%	

- **Pre-tax operating earnings** decreased \$22.3 million primarily due to lower net revenue.
- **Net revenue** decreased \$11.8 million primarily due to lower variable investment income, which was partially offset by the benefits of rising interest rates. Additionally, the prior year quarter was adversely impacted by the 2022 reinsurance transaction.

Principal Global Investors

<i>(in millions except percentages or otherwise noted)</i>	Quarter			Trailing Twelve Months		
	2Q23	2Q22	% Change	2Q23	2Q22	% Change
Pre-tax operating earnings	\$125.0	\$180.0	(31)%	\$514.7	\$706.3	(27)%
Operating revenues less pass-through expenses ⁸	\$359.6	\$428.7	(16)%	\$1,473.7	\$1,703.4	(13)%
Operating margin	34.9%	42.3%		35.2%	41.8%	
Total PGI assets under management (<i>billions</i>)	\$485.8	\$469.8	3%			
PGI sourced assets under management (<i>billions</i>)	\$249.8	\$243.7	3%			

- **Pre-tax operating earnings** decreased \$55.0 million primarily due to lower operating revenues less pass-through expenses.
- **Operating revenues less pass-through expenses** decreased \$69.1 million primarily due to lower performance fees as well as lower management fees from a decrease in average AUM.

Principal International

<i>(in millions except percentages or otherwise noted)</i>	Quarter			Trailing Twelve Months		
	2Q23	2Q22	% Change	2Q23	2Q22	% Change
Pre-tax operating earnings	\$63.2	\$89.4	(29)%	\$283.6	\$359.1	(21)%
Combined net revenue (at PFG share) ⁹	\$229.4	\$244.8	(6)%	\$921.8	\$1,011.4	(9)%
Operating margin ¹⁰	27.6%	36.5%		30.8%	35.5%	
Assets under management (<i>billions</i>)	\$174.4	\$148.9	17%			

- **Pre-tax operating earnings** decreased \$26.2 million primarily due to lower combined net revenue.
- **Combined net revenue (at PFG share)** decreased \$15.4 million primarily due to lower variable investment income and unfavorable impacts from inflation and LDTI discount rate movements, partially offset by growth in the business.

Specialty Benefits

<i>(in millions except percentages or otherwise noted)</i>	Quarter			Trailing Twelve Months		
	2Q23	2Q22	% Change	2Q23	2Q22	% Change
Pre-tax operating earnings	\$98.1	\$86.8	13%	\$441.6	\$266.3	66%
Premium and fees	\$750.2	\$695.0	8%	\$2,927.8	\$2,660.5	10%
Operating margin ¹¹	13.1%	12.5%		15.1%	10.0%	
Incurred loss ratio	62.0%	65.2%		59.5%	66.4%	

- **Pre-tax operating earnings** increased \$11.3 million due to growth in the business and a decrease in the incurred loss ratio, partially offset by lower net investment income.
- **Premium and fees** increased \$55.2 million driven by strong sales, retention, employment and wage growth.
- **Incurred loss ratio** decreased primarily due to lower group life mortality and improved disability experience.

Life Insurance

<i>(in millions except percentages or otherwise noted)</i>	Quarter			Trailing Twelve Months		
	2Q23	2Q22	% Change	2Q23	2Q22	% Change
Pre-tax operating earnings (losses)	\$26.8	\$70.8	(62)%	\$102.5	\$156.1	(34)%
Premium and fees	\$229.0	\$130.6	75%	\$913.2	\$1,090.7	(16)%
Pre-tax return on premium and fees	11.7%	54.2%		11.2%	14.3%	

- **Pre-tax operating earnings** decreased \$44.0 million primarily due to lower net investment income. Additionally, the prior year quarter was impacted by the 2022 reinsurance transactions.
- **Premium and fees** increased \$98.4 million as a result of the impacts of the 2022 reinsurance transactions in the prior year quarter.

Corporate

<i>(in millions except percentages or otherwise noted)</i>	Quarter			Trailing Twelve Months		
	2Q23	2Q22	% Change	2Q23	2Q22	% Change
Pre-tax operating losses	\$(97.4)	\$(152.9)	36%	\$(381.0)	\$(473.4)	20%

- **Pre-tax operating losses** decreased \$55.5 million primarily due to higher net investment income.

Forward looking and cautionary statements

Certain statements made by the company which are not historical facts may be considered forward-looking statements, including, without limitation, statements as to non-GAAP operating earnings, net income attributable to PFG, net cash flow, realized and unrealized gains and losses, capital and liquidity positions, sales and earnings trends, and management's beliefs, expectations, goals and opinions. The company does not undertake to update these statements, which are based on a number of assumptions concerning future conditions that may ultimately prove to be inaccurate. Future events and their effects on the company may not be those anticipated, and actual results may differ materially from the results anticipated in these forward-looking statements. The risks, uncertainties and factors that could cause or contribute to such material differences are discussed in the company's annual report on Form 10-K for the year ended Dec. 31, 2022, and in the company's quarterly report on Form 10-Q for the quarter ended Mar. 31, 2023, filed by the company with the U.S. Securities and Exchange Commission, as updated or supplemented from time to time in subsequent filings. These risks and uncertainties include, without limitation: adverse capital and credit market conditions may significantly affect the company's ability to meet liquidity needs, access to capital and cost of capital; conditions in the global capital markets and the economy generally; volatility or declines in the equity, bond or real estate markets; changes in interest rates or credit spreads or a prolonged low interest rate environment; the elimination of the London Inter-Bank Offered Rate ("LIBOR"); the company's investment portfolio is subject to several risks that may diminish the value of its invested assets and the investment returns credited to customers; the company's valuation of investments and the determination of the amount of allowances and impairments taken on such investments may include methodologies, estimations and assumptions that are subject to differing interpretations; any impairments of or valuation allowances against the company's deferred tax assets; the company's actual experience for insurance and annuity products could differ significantly from its pricing and reserving assumptions; the pattern of amortizing the company's DAC asset and other actuarial balances may change; changes in laws, regulations or accounting standards; the company's ability to pay stockholder dividends, make share repurchases and meet its obligations may be constrained by the limitations on dividends or other distributions Iowa insurance laws impose on Principal Life; litigation and regulatory investigations; from time to time the company may become subject to tax audits, tax litigation or similar proceedings, and as a result it may owe additional taxes, interest and penalties in amounts that may be material; applicable laws and the company's certificate of incorporation and by-laws may discourage takeovers and business combinations that some stockholders might consider in their best interests; competition, including from companies that may have greater financial resources, broader arrays of products, higher ratings and stronger financial performance; a downgrade in the company's financial strength or credit ratings; client terminations, withdrawals or changes in investor preferences; the company's hedging or risk management strategies prove ineffective or insufficient; international business risks; risks arising from participation in joint ventures; the company may need to fund deficiencies in its "Closed Block" assets; the company's reinsurers could default on their obligations or increase their rates; risks arising from acquisitions of businesses; risks related to administering reinsurance transactions; a pandemic, terrorist attack, military action or other catastrophic event; global climate change; technological and societal changes may disrupt the company's business model and impair its ability to retain existing customers, attract new customers and maintain its profitability; damage to the company's reputation; the company may not be able to protect its intellectual property and may be subject to infringement claims; inability to attract, develop and retain qualified employees and sales representatives and develop new distribution sources; an interruption in information technology, infrastructure or other internal or external systems used for business operations, or a failure to maintain the confidentiality, integrity or availability of data residing on such systems; loss of key vendor relationships or failure of a vendor to protect information of our customers or employees; and the company's enterprise risk management framework may not be fully effective in identifying or mitigating all of the risks to which the company is exposed.

Use of Non-GAAP financial measures

The company uses a number of non-GAAP financial measures that management believes are useful to investors because they illustrate the performance of normal, ongoing operations, which is important in understanding and evaluating the company's financial condition and results of operations. They are not, however, a substitute for U.S. GAAP financial measures. Therefore, the company has provided reconciliations of the non-GAAP measures to the most directly comparable U.S. GAAP measure at the end of the release. The company adjusts U.S. GAAP measures for items not directly related to ongoing operations. However, it is possible these adjusting items have occurred in the past and could recur in future reporting periods. Management also uses non-GAAP measures for goal setting, as a basis for determining employee and senior management awards and compensation and evaluating performance on a basis comparable to that used by investors and securities analysts.

Earnings conference call

- On Friday, Jul. 28, 2023, at 10:00 a.m. (ET), Chairman, President and Chief Executive Officer Dan Houston and Executive Vice President and Chief Financial Officer Deanna Strable will lead a discussion of results and the impacts on future prospects, asset quality and capital adequacy during a live conference call, which can be accessed as follows:
- Via live Internet webcast. Please go to investors.principal.com at least 10-15 minutes prior to the start of the call to register, and to download and install any necessary audio software.
- Via telephone by dialing 877-407-0832 (U.S. and Canadian callers) or 201-689-8433 (international callers) approximately 10 minutes prior to the start of the call.
- Replay of the earnings call via webcast as well as a transcript of the call will be available after the call at investors.principal.com.

The company's financial supplement and slide presentation is currently available at investors.principal.com, and may be referred to during the call.

About Principal ^{®12}

Principal Financial Group[®] (Nasdaq: PFG) is a global financial company with approximately 19,000 employees¹³ passionate about improving the wealth and well-being of people and businesses. In business for more than 140 years, we're helping approximately 62 million customers¹³ plan, insure, invest, and retire, while working to improve our planet, support the communities where we do business, and build a diverse, inclusive workforce. Principal[®] is proud to be recognized as one of the 2023 World's Most Ethical Companies¹⁴, a member of the Bloomberg Gender Equality Index, and a Top 10 "Best Places to Work in Money Management ¹⁵." Learn more about Principal and our commitment to sustainability, inclusion, and purpose at principal.com.

Summary of Principal Financial Group, Inc. and Segment Results

Principal Financial Group, Inc. Results:	(in millions)			
	Three Months Ended,		Trailing Twelve Months,	
	6/30/23	6/30/22	6/30/23	6/30/22
Net income (loss) attributable to PFG	\$ 388.8	\$ 3,118.7	\$ 1,548.2	\$ 4,209.1
<i>(Income) loss from exited business</i>	(64.3)	(2,911.0)	30.0	(2,911.0)
Net income (loss) attributable to PFG excluding exited business	\$ 324.5	\$ 207.7	\$ 1,578.2	\$ 1,298.1
<i>Net realized capital (gains) losses, as adjusted</i>	51.3	216.3	(38.0)	357.1
Non-GAAP Operating Earnings*	\$ 375.8	\$ 424.0	\$ 1,540.2	\$ 1,655.2
<i>Income taxes</i>	72.2	104.7	313.6	391.1
Non-GAAP Pre-Tax Operating Earnings	\$ 448.0	\$ 528.7	\$ 1,853.8	\$ 2,046.3
Segment Pre-Tax Operating Earnings (Losses):				
<i>Retirement and Income Solutions</i>	\$ 232.3	\$ 254.6	\$ 892.4	\$ 1,031.9
<i>Principal Asset Management</i>	188.2	269.4	798.3	1,065.4
<i>Benefits and Protection</i>	124.9	157.6	544.1	422.4
<i>Corporate</i>	(97.4)	(152.9)	(381.0)	(473.4)
Total Segment Pre-Tax Operating Earnings	\$ 448.0	\$ 528.7	\$ 1,853.8	\$ 2,046.3

	Per Diluted Share			
	Three Months Ended,		Six Months Ended,	
	6/30/23	6/30/22	6/30/23	6/30/22
Net income (loss)	\$ 1.58	\$ 12.17	\$ 1.01	\$ 13.30
<i>(Income) loss from exited business</i>	(0.26)	(11.36)	1.72	(11.20)

Net income (loss) excluding exited business	\$ 1.32	\$ 0.81	\$ 2.73	\$ 2.10
<i>Net realized capital (gains) losses, as adjusted</i>	0.21	0.84	0.28	1.06
Non-GAAP Operating Earnings	\$ 1.53	\$ 1.65	\$ 3.01	\$ 3.16
Weighted-average diluted common shares outstanding (in millions)	245.5	256.3	246.4	260.0

***U.S. GAAP (GAAP) net income attributable to PFG versus non-GAAP operating earnings**

Management uses non-GAAP operating earnings, which is a financial measure that excludes the effect of net realized capital gains and losses, as adjusted, income (loss) from exited business and other after-tax adjustments the company believes are not indicative of overall operating trends, for goal setting, as a basis for determining employee and senior management awards and compensation and evaluating performance on a basis comparable to that used by investors and securities analysts. Note: it is possible these adjusting items have occurred in the past and could recur in future reporting periods. While these items may be significant components in understanding and assessing our consolidated financial performance, management believes the presentation of non-GAAP operating earnings enhances the understanding of results of operations by highlighting earnings attributable to the normal, ongoing operations of the company's businesses.

Selected Balance Sheet Statistics

	Period Ended,	
	6/30/23	12/31/22
Total assets (in billions)	\$ 299.2	\$ 290.6
Stockholders' equity (in millions)	\$ 10,389.5	\$ 10,017.8
Total common equity (in millions)	\$ 10,344.5	\$ 9,976.7
Total common equity excluding cumulative change in fair value of funds withheld embedded derivative and accumulated other comprehensive income (AOCI) other than foreign currency translation adjustment (in millions)	\$ 12,693.8	\$ 12,398.5
End of period common shares outstanding (in millions)	242.0	243.5
Book value per common share	\$ 42.75	\$ 40.97
Book value per common share excluding cumulative change in fair value of funds withheld embedded derivative and AOCI other than foreign currency translation adjustment	\$ 52.45	\$ 50.92

**Principal Financial Group, Inc.
Reconciliation of U.S. GAAP to Non-GAAP Financial Measures
(in millions, except as indicated)**

	Period Ended,	
	6/30/23	12/31/22
Stockholders' Equity, Excluding AOCI Other Than Foreign Currency Translation Adjustment, Available to Common Stockholders:		
Stockholders' equity	\$10,389.5	\$10,017.8
Noncontrolling interest	(45.0)	(41.1)
Stockholders' equity available to common stockholders	10,344.5	9,976.7
Cumulative change in fair value of funds withheld embedded derivative	(2,464.8)	(2,885.6)
AOCI, other than foreign currency translation adjustment	4,814.1	5,307.4
Stockholders' equity, excluding AOCI other than cumulative change in fair value of funds withheld embedded derivative and foreign currency translation adjustment, available to common stockholders	<u>\$12,693.8</u>	<u>\$12,398.5</u>

Book Value Per Common Share, Excluding AOCI Other Than Foreign Currency Translation Adjustment:

Book value per common share	\$ 42.75	\$ 40.97
Cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	9.70	9.95
Book value per common share, excluding AOCI other than foreign currency translation adjustment	<u>\$ 52.45</u>	<u>\$ 50.92</u>

**Principal Financial Group, Inc.
Reconciliation of U.S. GAAP to Non-GAAP Financial Measures
(in millions)**

Three Months Ended,		Trailing Twelve Months,	
6/30/23	6/30/22	6/30/23	6/30/22

Income Taxes:

Total GAAP income taxes (benefit)	\$ 59.9	\$ 836.7	\$ 299.5	\$ 1,014.7
Net realized capital gains (losses) tax adjustments	12.7	69.3	(9.9)	130.6
Exited business tax adjustments	(17.1)	(813.5)	(38.7)	(813.5)
Income taxes related to equity method investments and noncontrolling interest	16.7	12.2	62.7	59.3
Income taxes	<u>\$ 72.2</u>	<u>\$ 104.7</u>	<u>\$ 313.6</u>	<u>\$ 391.1</u>

Net Realized Capital Gains (Losses):

GAAP net realized capital gains (losses)	\$ (72.8)	\$ (189.4)	\$ 5.1	\$ (332.4)
Market value adjustments to fee revenues	0.2	0.1	0.8	(0.1)
Net realized capital gains (losses) related to equity method investments	8.1	(9.0)	5.9	(29.1)
Derivative and hedging-related revenue adjustments	(5.0)	(25.0)	(37.2)	(123.7)
Certain variable annuity fees	18.4	19.1	73.6	80.5
Sponsored investment fund adjustments	5.7	5.9	22.3	22.9
Capital gains distributed – operating expenses	(7.3)	35.0	17.5	70.1
Amortization of actuarial balances	0.1	(6.7)	0.1	(0.1)
Derivative and hedging-related expense adjustments	0.1	-	0.1	-
Market value adjustments of embedded derivatives	5.3	(20.2)	4.0	(43.8)
Market value adjustments of market risk benefits	(4.4)	(113.9)	(31.5)	(156.3)
Capital gains distributed – cost of interest credited	(9.5)	(5.4)	(0.1)	(2.9)
Net realized capital gains (losses) tax adjustments	12.7	69.3	(9.9)	130.6
Net realized capital gains (losses) attributable to noncontrolling interest, after-tax	(2.9)	23.9	(12.7)	27.2
Total net realized capital gains (losses) after-tax adjustments	21.5	(26.9)	32.9	(24.7)
Net realized capital gains (losses), as adjusted	<u>\$ (51.3)</u>	<u>\$ (216.3)</u>	<u>\$ 38.0</u>	<u>\$ (357.1)</u>

Income (Loss) from Exited Business:

Pre-tax impacts of exited business:				
Strategic review costs and impacts	\$ -	\$ 64.0	\$ (23.6)	\$ 64.0
Amortization of reinsurance gains (losses)	(20.3)	(30.5)	(68.6)	(30.5)
Other impacts of reinsured business	(30.0)	(65.3)	(131.1)	(65.3)
Net realized capital gains (losses) on funds withheld assets	37.8	689.0	179.2	689.0
Change in fair value of funds withheld embedded derivative	93.9	3,067.3	52.8	3,067.3
Tax impacts of exited business	(17.1)	(813.5)	(38.7)	(813.5)
Total income (loss) from exited business	<u>\$ 64.3</u>	<u>\$ 2,911.0</u>	<u>\$ (30.0)</u>	<u>\$ 2,911.0</u>

**Principal Financial Group, Inc.
Reconciliation of U.S. GAAP to Non-GAAP Financial Measures
(in millions)**

Three Months Ended,		Trailing Twelve Months,	
6/30/23	6/30/22	6/30/23	6/30/22

Principal Global Investors Operating Revenues Less Pass-Through Expenses:

Operating revenues	\$ 390.1	\$ 463.6	\$ 1,599.4	\$ 1,858.0
Commissions and other expenses	(30.5)	(34.9)	(125.7)	(154.6)
Operating revenues less pass-through expenses	<u>\$ 359.6</u>	<u>\$ 428.7</u>	<u>\$ 1,473.7</u>	<u>\$ 1,703.4</u>

Principal International Combined Net Revenue (at PFG Share)

Pre-tax operating earnings	\$ 63.2	\$ 89.4	\$ 283.6	\$ 359.1
Combined operating expenses other than pass-through commissions (at PFG share)	166.2	155.4	638.2	652.3

Combined net revenue (at PFG share)

\$ 229.4 \$ 244.8 \$ 921.8 \$ 1,011.4

¹ All financial results and periods reflect the adoption of long-duration targeted improvements (LDTI) accounting guidance.

² Use of non-GAAP financial measures is discussed in this release after segment results. Non-GAAP operating earnings for total company is after tax.

³ Represents the percentage of Principal actively managed mutual funds, exchange traded funds (ETFs), insurance separate accounts, and collective investment trusts (CITs) in the top two Morningstar quartiles. Excludes Money Market, Stable Value, Liability Driven Investment, Hedge Fund Separate Account and U.S. Property Separate Account.

⁴ Operating margin for RIS = pre-tax operating earnings divided by net revenue.

⁵ Operating margin for PGI = pre-tax operating earnings, adjusted for noncontrolling interest divided by operating revenues less pass-through expenses.

⁶ Pre-tax operating earnings = operating earnings before income taxes and after noncontrolling interest.

⁷ Net revenue = operating revenues less: benefits, claims and settlement expenses; liability for future policy benefits remeasurement (gain) loss; market risk benefit remeasurement (gain) loss; and dividends to policyholders.

⁸ The company has provided reconciliations of the non-GAAP measures to the most directly comparable U.S. GAAP measures at the end of the release. The company has determined this measure is more representative of underlying operating revenues growth for PGI as it removes commissions and other expenses that are collected through fee revenue and passed through expenses with no impact to pre-tax operating earnings.

⁹ Combined net revenue (a non-GAAP financial measure): net revenue for all PI companies at 100% less pass-through commissions. The company has determined combined net revenue (at PFG share) is more representative of underlying net revenue growth for PI as it reflects our proportionate share of consolidated and equity method subsidiaries. In addition, using this net revenue metric provides a more meaningful representation of our operating margin.

¹⁰ Operating margin for PI = pre-tax operating earnings divided by combined net revenue (at PFG share).

¹¹ Operating margin for Benefits and Protection = pre-tax operating earnings divided by premium and fees.

¹² Principal, Principal and symbol design and Principal Financial Group are trademarks and service marks of Principal Financial Services, Inc., a member of the Principal Financial Group.

¹³ As of June 30, 2023

¹⁴ Ethisphere, 2023

¹⁵ Pensions & Investments, 2022



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Source: Principal Financial Group