



## Principal® Adds New Annuity With Guaranteed Lifetime Income Option

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DES MOINES, Iowa--(BUSINESS WIRE)-- With the number of people in the United States aged 65 years and older on the rise, [Principal Financial Group®](#) has launched its second Registered Index-Linked Annuity (RILA), [Principal® Strategic Income](#), that helps individuals nearing or in retirement create guaranteed lifetime income while still building and protecting their retirement savings.

“A convergence of factors has accelerated the demand for annuities and heightened the need for guaranteed income in retirement,” said Sri Reddy, senior vice president for Retirement and Income Solutions at Principal. “Recent macroeconomic trends – including higher interest rates, volatile equity markets, and inflation – coupled with a growing aging population with longer life expectancies mean Americans need more ways to save and invest to meet their needs in retirement. But the record wave of people turning 65 years of age every day has created a market for annuity solutions that is significantly greater than we have seen in the past, magnifying how important they can be to investors during their peak planning stages.”

Principal® Strategic Income, which is available to investors through financial professionals, builds on the [first RILA Principal debuted in 2023](#) when annuity sales hit all-time highs<sup>1</sup>. The new RILA uses a guaranteed lifetime withdrawal benefit, the Secure Income Protector rider, to ensure individuals have a secure source of income in retirement regardless of future investment market performance or how long they live. For a lower cost than some traditional variable annuities with income riders, the Secure Income Protector rider offers two income options:

- 1) A level amount every year that never decreases.
- 2) A tiered amount that provides higher income initially and then decreases if the account value reaches zero.

Unlike many variable annuities with income riders that lock in a decision at contract issuance, Principal® Strategic Income allows individuals to change their income option one time before they start taking income payments, providing flexibility should income needs change before their first withdrawal.

The increase in demand for annuities can be correlated to the aging U.S. population with more than 73 million Americans reaching age 65 or older by 2030 – a 30.3% increase over 2020<sup>2</sup>. This age demographic has reached a financial milestone at which their priority has shifted from saving for retirement to converting assets into lifetime income. In fact, a survey Principal conducted in March found creating income in retirement was the top personalized financial advice service employees would use through their employer’s retirement savings plan.<sup>3</sup>

**Principal® Strategic Income may not be available in all states or with all broker-dealers.**

**Principal® Strategic Income does not directly participate in any stock, equity investments, or index. It is not possible to invest directly in an index.**

**Investing involves risk, including the possible loss of principal.**

**Before investing in registered index-linked annuities, investors should carefully consider the investment objectives, risks, charges, and expenses of the contract and underlying investment options. This and other information is contained in the free prospectus, which can be obtained from your local representative or online at [principal.com](#). Please read the prospectus and, if available, the summary prospectus carefully before investing.**

Index-linked deferred annuity contracts are complex insurance and investment vehicles. This contract is a security and there is a risk of substantial loss of principal and earnings. The risk of loss may be greater when early withdrawals are taken due to any charges and adjustments applied to such withdrawals. These charges and adjustments may result in loss even when the value of a segment option has increased. Clients should consult with a financial professional about the appropriateness of this product based on their financial situation and objectives.

Contract rider descriptions are not intended to cover all restrictions, conditions or limitations. Refer to rider for full details.

Guarantees are based on the claims-paying ability of Principal Life Insurance Company®.

Excess withdrawals could lower your income payment.

**About Principal Financial Group®**

Principal Financial Group® (Nasdaq: PFG) is a global financial company with nearly 20,000 employees<sup>4</sup> passionate about improving the wealth and well-being of people and businesses. In business for 145 years, we're helping approximately 62 million customers<sup>5</sup> plan, protect, invest, and retire, while working to support the communities where we do business, and build a diverse, inclusive workforce. Principal® is proud to be recognized as one of the 2024 World's Most Ethical Companies® by Ethisphere<sup>6</sup>, a member of the Bloomberg Gender Equality Index, and a "Best Place to Work in Money Management<sup>7</sup>." Learn more about Principal and our commitment to building a better future at [principal.com](https://www.principal.com).

Annuities products and services are offered through Principal Life Insurance Company®. Securities offered through Principal Securities, Inc., member SIPC and/or independent broker/dealers. Referenced companies are members of the Principal Financial Group®, Des Moines, IA 50392.

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<sup>1</sup> [LIMRA 2023 Individual Annuity Sales Survey](#)

<sup>2</sup> [U.S. Census Bureau](#)

<sup>3</sup> *Principal Insights Community Survey, March 2024*

<sup>4</sup> *As of March 31, 2024*

<sup>5</sup> *As of March 31, 2024*

<sup>6</sup> *Ethisphere, 2024*

<sup>7</sup> *Pensions & Investments, 2023*



Phillip Nicolino, 515-362-0239, [nicolino.phillip@principal.com](mailto:nicolino.phillip@principal.com)

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