

Fourth Quarter 2025 Earnings and 2026 Outlook

PRINCIPAL FINANCIAL GROUP

February 9, 2026

Key takeaways

Delivered on 2025 outlook

12%

FY EPS growth¹
(9-12% target)

92%

FY FCF %²
(75-85% target)

15.7%

ROE³
(14-16% target)

2025 Highlights⁴

- Enterprise net revenue⁵ growth outpaced expense growth, resulting in margin expansion of 80 bps
- Retirement and Income Solutions pre-tax operating earnings up 6% on 4% net revenue growth; 90 bps margin expansion to 41%
- Investment Management pre-tax operating earnings up 5% on 4% management fee growth; 60 bps margin expansion to 36%
- Specialty Benefits pre-tax operating earnings up 11% on strong underwriting results; 120 bps margin expansion to 16%

Capital

- Returned \$448M capital to shareholders during 4Q25, including \$275M of share repurchases and \$172M of common stock dividends; bringing full year capital deployments to \$1.5B
- Increased 1Q26 common stock dividend to \$0.80; up 7% from 1Q25 and up 8% on a trailing twelve month basis
- Excess and available capital position of \$1.6B
- Debt to capital ratio of 22.0%

1 This is a non-GAAP measure, see reconciliation in appendix. Excludes significant variances, see slide 17 for more details. 2 Based on non-GAAP net income attributable to PFG, excluding income or loss from exited business. 3 Non-GAAP return on equity, excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment. Excludes impacts of significant variances, see slide 17 for more details. 4 Annual figures represented exclude significant variances, see slide 17 for more details. 5 This is a non-GAAP measure that reflects total segment operating revenue less: benefits, claims and settlement expenses, liability for future policy benefits remeasurement (gain) loss, market risk benefit remeasurement (gain) loss, and dividends to policyholders.
Note: Some totals throughout this presentation may not sum due to rounding.

Strategic priorities are driving sustained growth

Leverage leadership in recordkeeping to grow **Retirement Ecosystem**

Expand market leadership by serving **SMBs** holistically

Leverage privileged partnerships to grow **Global Asset Management¹**

HIGHLIGHTS

2025

Retirement platform

Transfer deposits +9%
 WSRS recurring deposits +5%

WSRS participant engagement

Deferring participants +3.4%
 Average deferral per member +2.3%
 Participant roll-ins (\$) +15%

DCIO sales \$7.9B

PRT sales \$3.0B

HIGHLIGHTS

2025

WSRS SMB

Transfer deposits +32%
 Recurring deposits +8%
 AV NCF +\$1.5B

Group Benefits SMB

Employment growth +1.8%
 Products per customer 3.13

Life SMB

Business market life premiums and fees +15%

HIGHLIGHTS

2025

Gross sales

+16%

NCF

Private markets +\$3.5B
 Active ETF +\$1.8B

AUM

Private markets +12%
 International Pension +24%

¹ Highlights mentioned attributable to Investment Management unless otherwise noted.

Full year 2025 financial highlights

Delivered on 2025 outlook

12%

FY EPS growth¹
(9-12% target)

92%

FY FCF %²
(75-85% target)

15.7%

ROE³
(14-16% target)

FY 2025 operating results

Reported non-GAAP operating earnings⁵

\$1,866M

(+14% vs. FY 2024)

Non-GAAP operating earnings, excluding significant variances (xSV)¹

\$1,930M

(+7% vs. FY 2024)

Reported non-GAAP operating earnings per diluted share (EPS)⁵

\$8.27

(+19% vs. FY 2024)

Non-GAAP EPS, xSV¹

\$8.55

(+12% vs. FY 2024)

Capital & liquidity

Excess and available capital

\$1.6B

\$800M at Hold Co

\$300M excess subsidiary capital

\$480M in excess of 375% RBC

Debt to capital ratio⁴

22.0%

PLIC RBC ratio

406%

Capital deployments

FY 2025 capital deployments

\$1.5B returned to shareholders:

\$851M of share repurchases

\$684M of common stock dividends
(\$3.08 per share; **8% over prior year**)

AUM & NCF

Total company AUM managed by PFG

\$781B

(+10% vs. 2024)

Total company NCF

\$(8.8)B

¹ This is a non-GAAP measure, see reconciliation in appendix. Excludes significant variances, see slide 17 for more details. ² Based on non-GAAP net income attributable to PFG, excluding income or loss from exited business.

³ Non-GAAP return on equity, excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment. Excludes impacts from significant variances, see slide 17 for more details. ⁴ This is a non-GAAP financial measure. Debt to capital ratio excludes cumulative change in fair value of funds withheld embedded derivative and AOCI. ⁵ This is a non-GAAP financial measure; see reconciliation in appendix.

4Q 2025 financial highlights

4Q 2025 Operating results

Reported non-GAAP operating earnings¹

\$488M

(+9% vs. 4Q24)

Reported non-GAAP operating earnings per diluted share¹ (EPS)

\$2.19

(+13% vs. 4Q24)

Non-GAAP operating earnings, excluding significant variances (xSV)²

\$499M

(+3% vs. 4Q24)

Non-GAAP EPS, xSV²

\$2.24

(+7% vs. 4Q24)

Capital deployments

4Q 2025 capital deployments

\$448M returned to shareholders:

\$275M of share repurchases

\$172M of common stock dividends

Announced 1Q26 common stock dividend

\$0.80 increased \$0.01 from 4Q25

+7% from 1Q25

Net cash flow

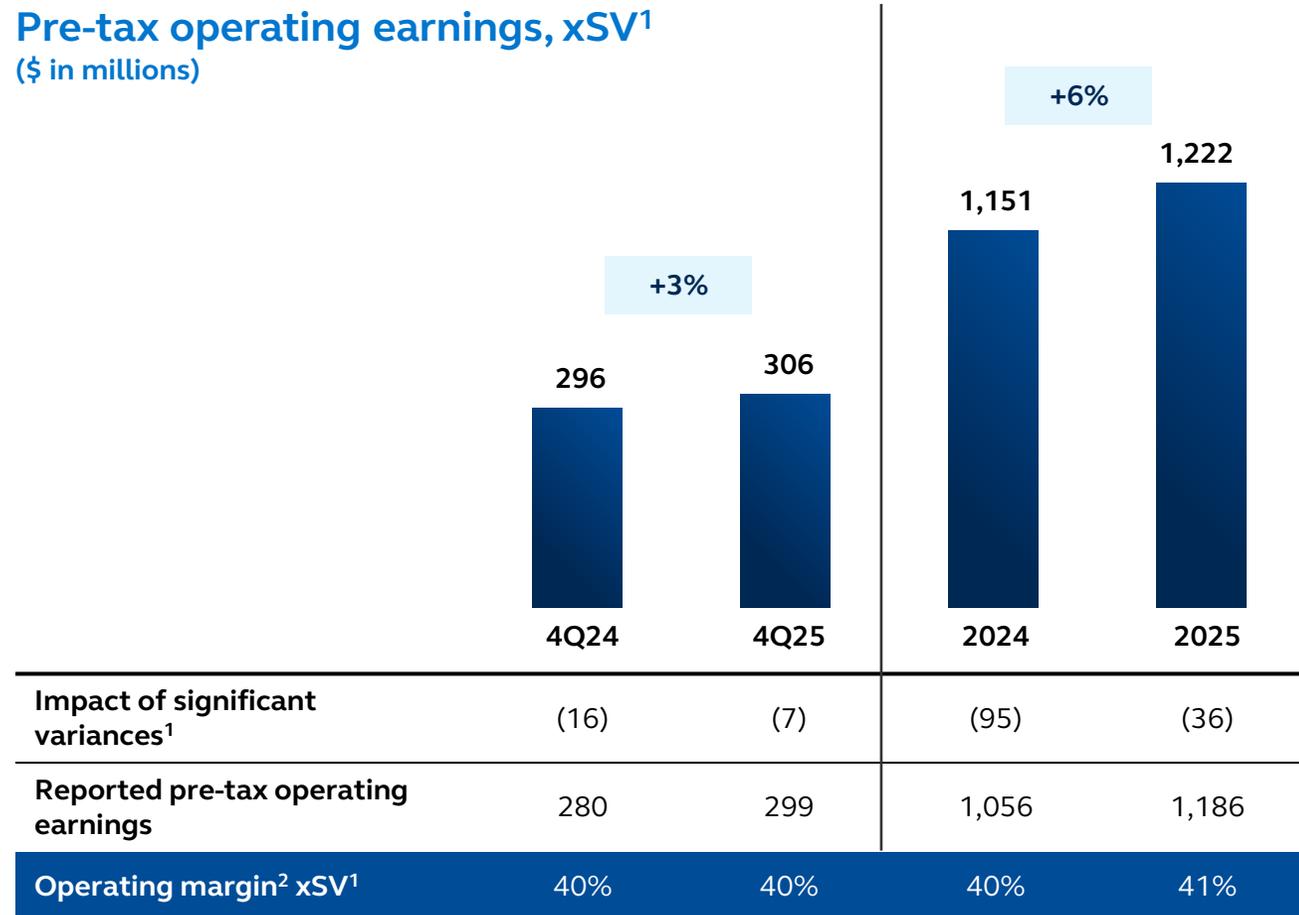
Total company NCF

\$(2.2)B

Retirement and Income Solutions

Delivered strong business growth and margin expansion

Pre-tax operating earnings, xSV¹ (\$ in millions)



Highlights

- Pre-tax operating earnings xSV¹ increased 3% vs. 4Q24 and 6% vs. FY 2024
- FY 2025 margin expanded 90 bps to 41% due to higher net revenue and disciplined expense management while investing in the business
- 4Q25 RIS transfer deposits up 35% to \$12B; full year transfer deposits up 9% to \$35B, including \$3B in PRT
- WSRS recurring deposits +5% vs. 4Q24 and FY 2024

Key metrics

Trailing twelve month basis¹

	2025	2025 outlook
Net revenue	+4%	2-5%
Operating margin ²	41%	37-41%

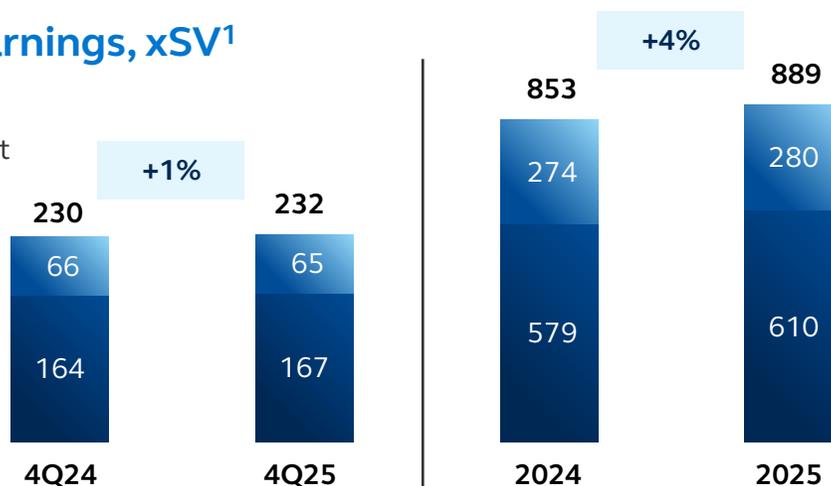
Principal Asset Management

Strong margin expansion

Pre-tax operating earnings, xSV¹

(\$ in millions)

- Investment Management
- International Pension



Impact of significant variances ¹	(14)	0	8	41
Reported pre-tax operating earnings	216	232	861	930
Operating margin² xSV¹				
Investment Management	38%	38%	35%	36%
International Pension	44%	43%	45%	46%

Highlights

- Pre-tax operating earnings xSV¹ increased 4% vs. FY 2024 supported by growth in management fees; Investment Management margin expanded 60 bps to 36% and International Pension margin expanded 170 bps to 46% in FY 2025
- Investment Management sales increased 16% vs. FY 2024, with non-affiliated channels up 18%
- Investment Management Private NCF of +\$3.5B in 2025 and +\$0.9B in 4Q25; record ETF AUM of \$9B at YE 2025
- International Pension AUM of \$154B, up 24% vs. FY 2024

Key metrics

Trailing twelve month basis¹

	Investment Management		International Pension	
	2025	2025 outlook	2025	2025 outlook
Operating revenues less pass-through expenses ³	+4%	4-7%		
Net revenue			-2%	Flat
Operating margin ²	36%	34-38%	46%	45-49%

¹ Impact of VII and lower than expected encaje performance, offset by Latin American inflation in 4Q24. Trailing twelve months excludes impacts of actuarial assumption reviews and other significant variances. ² Investment Management's operating margin is pre-tax operating earnings, adjusted for noncontrolling interest, divided by operating revenues less pass-through expenses; International Pension's operating margin is pre-tax operating earnings divided by net revenue. ³ This is a non-GAAP financial measure, see reconciliation in appendix.

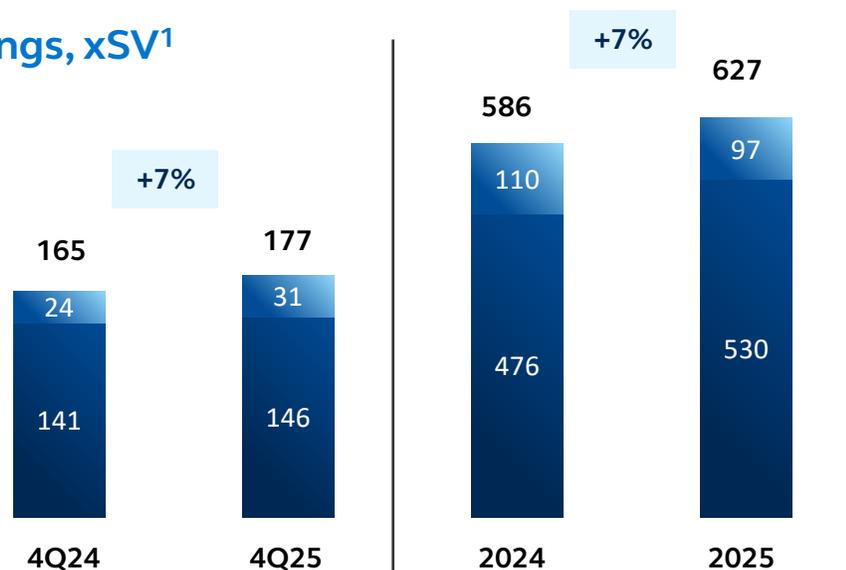
Benefits and Protection

Strong earnings growth and underwriting results

Pre-tax operating earnings, xSV¹

(\$ in millions)

- Specialty Benefits
- Life Insurance



Impact of significant variances ¹	(10)	(7)	123	104
Reported pre-tax operating earnings	155	170	463	523
Operating margin² xSV¹				
Specialty Benefits	17%	17%	15%	16%
Life Insurance	10%	13%	12%	10%

Highlights

- Pre-tax operating earnings xSV¹ of \$177M increased 7% vs. 4Q24 and margin expanded 50 bps driven by growth in Specialty Benefits and Life
- Life pre-tax operating earnings xSV¹ of \$30M, up 29% vs. 4Q24, driven by business growth, expense management discipline, and improved mortality experience
- FY 2025 Specialty Benefits pre-tax operating earnings xSV¹ of \$530M, up 11% vs. 2024, operating margin expanded 120 bps to 16%
- Specialty Benefits underwriting results were strong with loss ratios improving 130 bps to 59% and below the low end of the range

Key metrics

Trailing twelve month basis¹

	Specialty Benefits		Life Insurance	
	2025	2025 outlook	2025	2025 outlook
Premium and fees	+3%	6-9%	+3%	1-4%
Operating margin ²	16%	13-16%	10%	12-16%
Loss ratio	59%	60-64%		

2026 Outlook

2026 Outlook

Well-positioned to deliver strong enterprise growth aligned with our financial targets

Enterprise outlook

- **2026 outlook**
 - 9-12% growth in EPS¹
 - 75-85% free capital flow conversion²
 - 15-17% ROE³
- **Committed to returning excess capital to shareholders:** targeting \$1.5B - \$1.8B of capital deployments, including \$0.8B - \$1.1B of share repurchases and 40% dividend payout ratio²

Assumptions

- **Seasonality considerations:**
 - Expect \$30-35M of seasonally higher expenses in Investment Management in 1Q 2026, with no impact on full year outlook
 - Higher loss ratio in the first half of the year in Benefits and Protection
 - Free capital flow conversion increases throughout the year
- **Variable investment income:** improved relative to 2025
- **Impact of announced divestitures:**
 - Investment Management: 2% impact to adjusted revenue growth
 - International Pension: Mid-to-high single digit impact to net revenue growth (depending on timing of closings)
 - Immaterial impact to total company earnings

¹ Non-GAAP operating earnings per diluted share; excludes significant variances. ² Based on non-GAAP net income attributable to PFG, excluding income or loss from exited business. ³ Non-GAAP return on equity, excluding cumulative change in fair value of funds withheld embedded derivative and AOCI other than foreign currency translation adjustment.

2026 Outlook

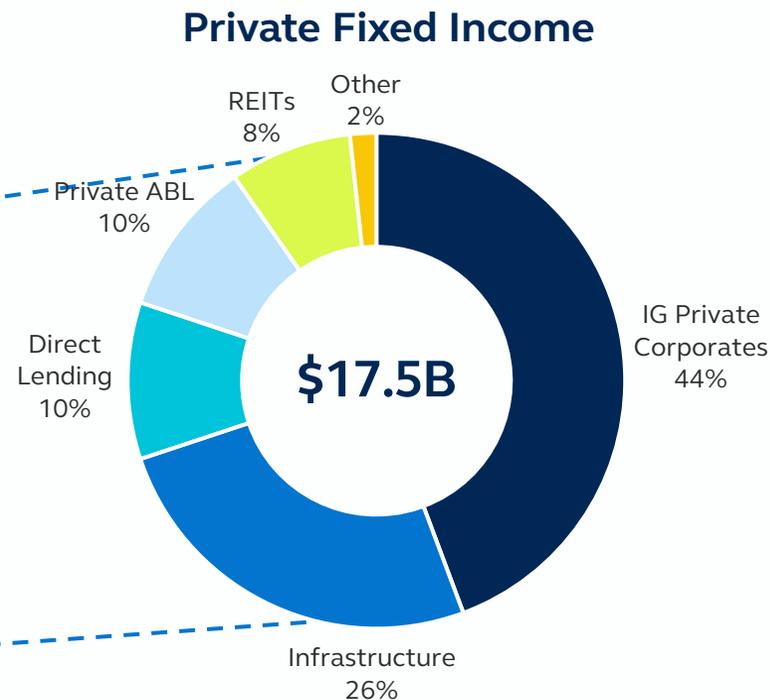
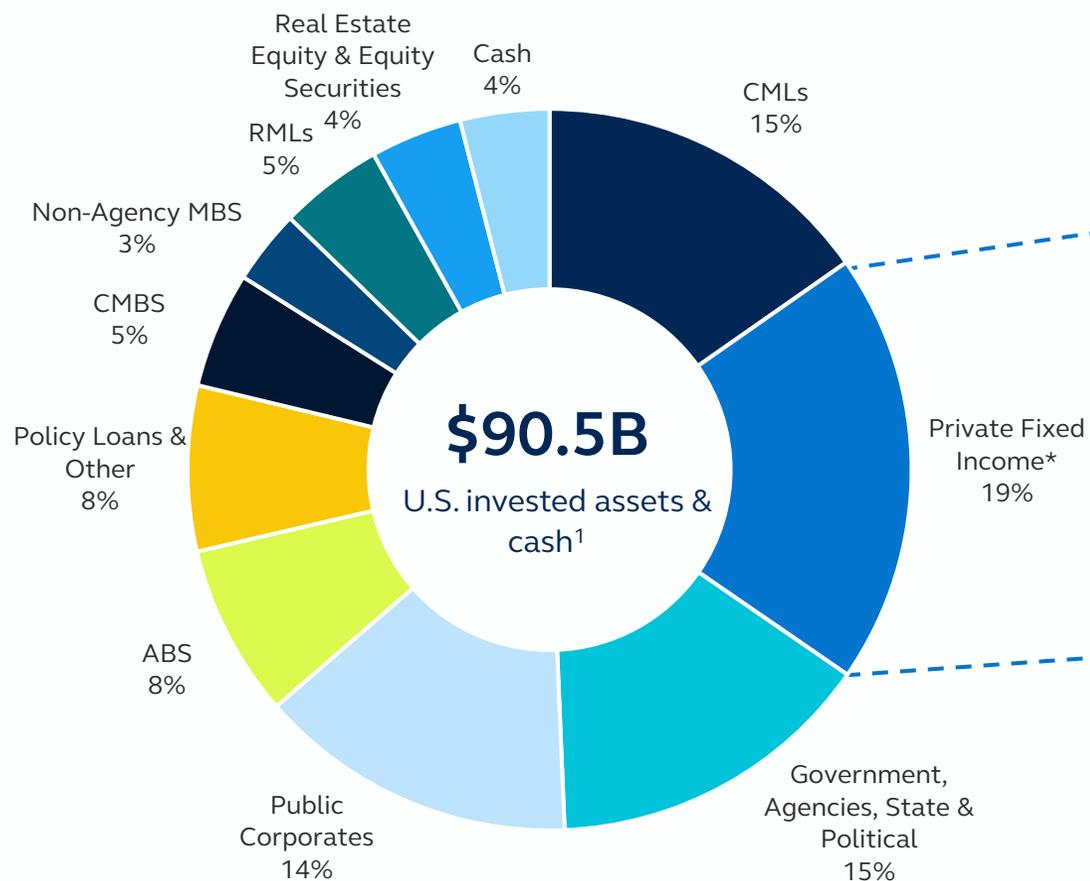
Ranges excluding significant variances

		2025 EPS ¹ x-SV	2026 target		
Total Company	EPS growth	\$8.55	9 - 12%		
	Effective tax rate		17 - 20%		
		2025 x-SV ²	Medium-term target (2026-2028)	2026 modeling considerations	
Retirement and Income Solutions					
Retirement and Income Solutions	Net revenue	\$2,999M	2 - 5%		
	Operating margin	40.7%	38 - 41%		Upper end of range
Principal Asset Management					
Investment Management	Operating revenues less pass-through expenses	\$1,731M	4 - 7%		Low end of range due to announced divestitures
	Operating margin	36.0%	35 - 39%		
International Pension	Net Revenue	\$604M	4 - 7%		Low end of range due to announced divestitures
	Operating margin	46.3%	46 - 50%		
Benefits & Protection					
Specialty Benefits	Premium and fees	\$3,363M	5 - 9%		Low end of range
	Operating margin	15.8%	14 - 17%		
	Incurred loss ratio	59.1%	60 - 64%		Low end of range
Life Insurance	Premium and fees	\$958M	1 - 4%		(2%) - (4%) due to movement of a subsidiary supporting enterprise distribution
	Operating margin	10.2%	12 - 16%		Low end of range
Corporate	Pre-tax operating losses	\$ (401M)	\$ (375M) - \$ (425M)		

Appendix

High quality and diversified investment portfolio

Portfolio uniquely matches our liability profile which has lower liquidity needs



Private Asset Class	Avg. Rating	Private Asset Class	Avg. Rating
IG Private Corporates	NAIC 2 (BBB+ - BBB-)	Direct Lending	NAIC 3(BB+ - BB-)
Infrastructure	NAIC 2 (BBB+ - BBB-)	Private ABL	NAIC 1 (AAA - A)
REITs	NAIC 2 (BBB+ - BBB-)	Other	NAIC 2 (BBB+ - BBB-)

Underwriting standards focus on diversification, quality, and liquidity profiles across economic cycles and liability needs

¹ As of 12/31/2025, excluding funds withheld assets

* Includes all 4(a)(2) and Reg D private placements

Investment performance

47% of fund-level AUM has 4 or 5 star rating from Morningstar^{1,2}

Asset Weighted	% of AUM outperforming Morningstar median ³				% of composite AUM outperforming benchmarks ⁴			
As of 12/31/2025	1-Year	3-Year	5-Year	10-Year	1-Year	3-Year	5-Year	10-Year
Equity	33%	77%	54%	82%	42%	80%	63%	87%
Fixed Income	38%	58%	67%	82%	77%	82%	91%	100%
Asset Allocation ⁵	19%	68%	78%	77%	N/A	N/A	N/A	N/A
Total	27%	70%	67%	80%	55%	80%	73%	91%

Equal Weighted	% of funds outperforming Morningstar median ³				% of composites outperforming benchmarks ⁴			
As of 12/31/2025	1-Year	3-Year	5-Year	10-Year	1-Year	3-Year	5-Year	10-Year
Equity	46%	58%	41%	72%	51%	68%	47%	81%
Fixed Income	53%	60%	40%	73%	71%	79%	85%	97%
Asset Allocation ⁵	20%	55%	61%	57%	N/A	N/A	N/A	N/A
Total	36%	57%	50%	64%	60%	73%	65%	88%

1 Asset weighted.

2 Includes only funds with ratings assigned by Morningstar; non-rated funds excluded (81 total, 76 are ranked).

3 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 (Short, Intermediate and Extended Duration), Hedge Fund Separate Account, & U.S. Property Separate Account.

4 Composite returns are calculated on a gross basis. All composites compared to official Global Investment Performance Standards (GIPS) composite benchmark. Excludes passive composites and doesn't include certain strategies or mandates for which GIPS composites are not calculated (e.g., Lifetime/Target Date strategies). Lifetime/Target Date funds are covered under separate peer-relative calculations. "Total" percentages include equities, fixed income and other asset classes and mandates with GIPS composites (e.g., asset allocation).

5 Coverage of asset allocation strategies in benchmark-relative composites is minimal and non-informative. Please see Morningstar rankings above for informative asset allocation performance.

Disciplined capital management strategy

With emphasis on actively returning excess capital to shareholders

	Targeted range as a percentage of net income ¹ :	
Organic capital deployment	15-25%	Capital efficient business mix
Consistent dividend payout ratio	40%	Growth of dividend will track growth in net income ¹
Share repurchases	35-45%	Active return of excess capital to shareholders through share repurchases
M&A	0-10%	Enhancement of capabilities and support of organic growth through strategic M&A

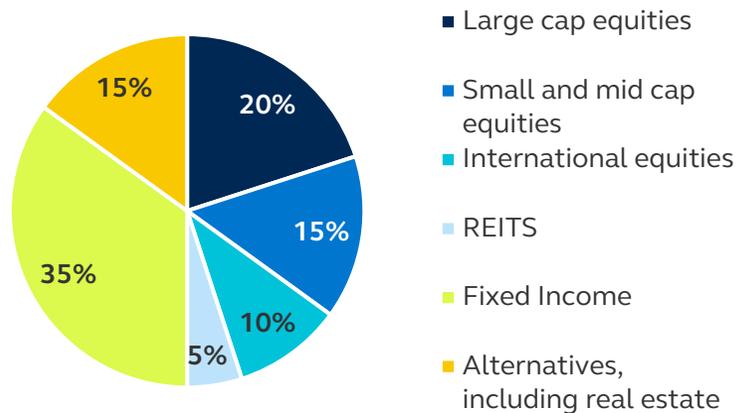
¹ Based on net income attributable to PFG excluding income or loss from exited business.

Market sensitivities

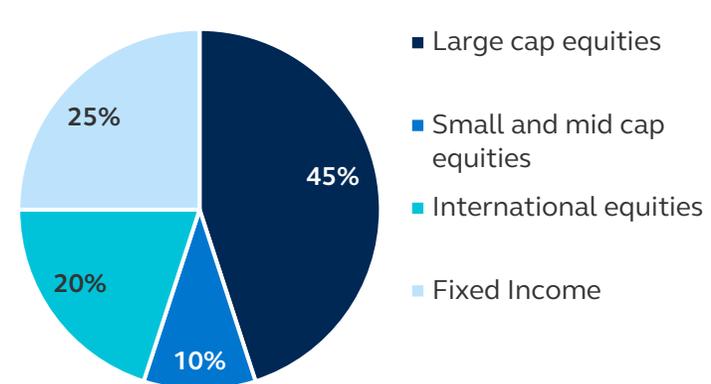
Estimated impacts of changes in key macroeconomic conditions on annual non-GAAP pre-tax operating earnings relative to the next 12 months, prior to management expense actions:

If macroeconomics change by...	Equity market return ¹ +/- 10%	Interest rates +/-100 bps	FX: U.S. Dollar ² +/- 10%	Certain alternative investment valuation ³ +/- 10%
Then Principal's annual non-GAAP pre-tax operating earnings will change by...	+/- 5-8%	+/- (1)-1%	+/- 2%	+/- <9%
And the primary businesses impacted are...	RIS Investment Management	All	International Pension	RIS Life Insurance Specialty Benefits

Investment Management AUM exposure



RIS Asset-based fee revenue



1 Assumes an immediate 10% change in the S&P 500 followed by 2% growth per quarter thereafter. 2 Principal is primarily impacted by changes in Latin American and Asian currencies. Inverse relationship between movement of the U.S. dollar and impact to non-GAAP pre-tax operating earnings. 3 Includes hedge funds, private equity, infrastructure, and direct lending assets. Separate and distinct from our equity risk associated with a decline in the S&P 500 index, assumes an immediate 10% decline in the value of these assets, followed by a 2% per quarter increase. Note: The impact to income before income taxes is materially consistent with the impact to non-GAAP pre-tax operating earnings.

4Q25 and FY 2025 significant variances

Earnings impacts of significant variances (in millions)

	4Q25	FY 2025				Total significant variances
	Total significant variances ¹	3Q Actuarial assumption review	Variable investment income	Encaje and inflation	Other ²	
Retirement and Income Solutions	\$(6.5)	\$12.0	\$(67.5)	-	\$19.4	\$(36.1)
Investment Management	-	-	-	-	\$4.8	\$4.8
International Pension	-	-	\$(5.6)	\$41.9	-	\$36.3
Specialty Benefits	\$(4.0)	\$14.3	\$(20.0)	-	\$7.1	\$1.4
Life Insurance	\$(2.9)	\$(93.4)	\$(20.1)	-	\$7.9	\$(105.6)
Corporate	-	-	\$13.2	-	\$6.3	\$19.5
Total pre-tax impact	\$(13.4)	\$(67.1)	\$(100.0)	\$41.9	\$45.5	\$(79.7)
Total after-tax impact	\$(10.6)	\$(53.0)	\$(75.9)	\$29.0	\$35.7	\$(64.2)
EPS impact	\$(0.05)					\$(0.28)

¹ Significant variances in 4Q25 include impacts of VII. ² Other significant variances in 2025 include impact of one-time expense accrual release and a GAAP-only regulatory closed block dividend adjustment in Life Insurance.

Full year 2025 significant variances

Revenue impacts of significant variances (in millions)

Business Unit	Revenue metric	2025 revenue, as reported	Actuarial assumption review	Variable investment income	Encaje and inflation	2025 revenue, X-SV
Retirement and Income Solutions	Net revenue	\$2,944	\$12	\$(67)	-	\$2,999
Investment Management	Operating revenues less pass-through expenses	\$1,731	-	-	-	\$1,731
International Pension	Net revenue	\$646	\$5	\$(6)	\$43	\$604
Specialty Benefits	Premium and fees	\$3,363	-	-	-	\$3,363
Life Insurance	Premium and fees	\$958	-	-	-	\$958

Non-GAAP financial measure reconciliations

Investment Management operating revenues less pass-through expenses	Three months ended (in millions)	
	12/31/25	12/31/24
Operating revenues	\$482.7	\$474.6
Commissions and other expenses	(40.9)	(38.9)
Operating revenues less pass-through expenses	\$441.8	\$435.7

Non-GAAP operating earnings (losses)	Three months ended (in millions)	
	12/31/25	12/31/24
Net income attributable to PFG	\$517.0	\$905.4
Net realized capital (gains) losses, as adjusted	(1.9)	94.6
(Income) loss from exited business	(27.1)	(551.9)
Non-GAAP operating earnings	\$488.0	\$448.1

Diluted earnings per common share	Three months ended	
	12/31/25	12/31/24
Net income	\$2.32	\$3.92
Net realized capital (gains) losses, as adjusted	(0.01)	0.41
(Income) loss from exited business	(0.12)	(2.39)
Non-GAAP operating earnings	\$2.19	\$1.94
Weighted-average diluted common shares outstanding (in millions)	222.4	231.2

Income taxes	Three months ended (in millions)	
	12/31/25	12/31/24
Total GAAP income taxes	\$110.4	\$209.9
Net realized capital gains (losses) tax adjustments	(7.7)	18.9
Income taxes attributable to noncontrolling interest	(0.1)	-
Income taxes related to equity method investments	14.4	16.9
Income taxes related to exited business	(7.1)	(146.9)
Income taxes	\$109.9	\$98.8

Non-GAAP financial measure reconciliations

Non-GAAP operating earnings (Losses)	Twelve months ended (in millions)	
	12/31/25	12/31/24
Net income attributable to PFG	\$1,185.1	\$1,571.0
Net realized capital (gains) losses, as adjusted	178.3	135.3
(Income) loss from exited business	502.1	(65.8)
Non-GAAP operating earnings	\$1,865.5	\$1,640.5

Diluted earnings per common share	Twelve months ended	
	12/31/25	12/31/24
Net income	\$5.25	\$6.68
Net realized capital (gains) losses, as adjusted	0.79	0.57
(Income) loss from exited business	2.23	(0.28)
Non-GAAP operating earnings	\$8.27	\$6.97
Weighted-average diluted common shares outstanding (in millions)	225.7	235.3

Income taxes	Twelve months ended (in millions)	
	12/31/25	12/31/24
Total GAAP income taxes	\$160.5	\$291.7
Net realized capital gains (losses) tax adjustments	33.5	16.1
Income taxes attributable to noncontrolling interest	(0.9)	(0.5)
Income taxes related to equity method investments	69.4	74.8
Income taxes related to exited business	129.8	(17.6)
Income taxes	\$392.3	\$364.5

Investment Management operating revenues less pass-through expenses	Twelve months ended (in millions)	
	12/31/25	12/31/24
Operating revenues	\$1,887.5	\$1,820.7
Commissions and other expenses	(156.7)	(152.1)
Operating revenues less pass-through expenses	\$1,730.8	\$1,668.6

Non-GAAP financial measure reconciliations

	Period ended (in millions)
Stockholders' equity x- cumulative change in fair value of funds withheld embedded derivative and AOCI other than foreign currency translation adjustment, available to common stockholders	12/31/25
Stockholders' equity	\$11,917.0
AOCI, other than foreign currency translation adjustment	2,641.8
Cumulative change in fair value of funds withheld embedded derivative	(2,080.2)
Noncontrolling interest	(33.1)
Stockholders' equity x- cumulative change in fair value of funds withheld embedded derivative and AOCI other than foreign currency translation adjustment, available to common stockholders	\$12,445.5

	Period ended
Non-GAAP operating earnings ROE (x- cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment) available to common stockholders	12/31/25
Net Income ROE available to common stockholders (including AOCI)	10.3%
Cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	(0.7)%
Net realized capital (gains) losses	1.5%
(Income) loss from exited business	4.1%
Non-GAAP operating earnings ROE (x- cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment) available to common stockholders	15.2%

Additional Disclosures

Use of non-GAAP financial measures

A non-GAAP financial measure is a numerical measure of performance, financial position, or cash flow that includes adjustments from a comparable financial measure presented in accordance with U.S. GAAP.

The company uses a number of non-GAAP financial measures management believes are useful to investors because they illustrate the performance of the company's normal, ongoing operations which is important in understanding and evaluating the company's financial condition and results of operations. While such measures are also consistent with measures utilized by investors to evaluate performance, they are not, however, a substitute for U.S. GAAP financial measures. Therefore, the company has provided reconciliations of the non-GAAP financial measures to the most directly comparable U.S. GAAP financial measure within the slides. The company adjusts U.S. GAAP financial 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 financial 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.

The company also uses a variety of other operational measures that do not have U.S. GAAP counterparts, and therefore do not fit the definition of non-GAAP financial measures. Assets under management is an example of an operational measure that is not considered a non-GAAP financial measure.

Forward looking statements

This presentation contains statements that constitute forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to share repurchases and planned dividends, the realization of our growth and business strategies and results from ongoing operations. Forward looking statements are made based upon our current expectations and beliefs concerning future developments and their potential effects on us. Such forward looking statements are not guarantees of future performance and actual results may differ materially from the results anticipated in the forward-looking statements. We describe risks, uncertainties and factors that could cause or contribute to such material differences in our filings with the Securities and Exchange Commission, including in the "Risk Factors" and "Note Concerning Forward-Looking Statements" sections in our annual report on Form 10-K for the year ended Dec. 31, 2024, as updated or supplemented from time to time in subsequent filings. We assume no obligation to update any forward-looking statement for any reason, which speaks as of its date.