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Fourth Quarter 2023 Earnings and 2024 Outlook Presentation

PRINCIPAL FINANCIAL GROUP

February 12, 2024

RETIREMENT ASSET MANAGEMENT BENEFITS & PROTECTION

Key takeaways

Earnings

- FY 2023 non-GAAP EPS[1] excluding significant variances[2] of $6.92 increased 6%, at the top end of our 3-6% 2023 guidance
- 4Q23 non-GAAP EPS[1] excluding significant variances[2] of $1.81 increased 11% from 4Q22; non-GAAP operating earnings[1] excluding significant variances[2] increased 7%
- Delivered on 2023 Outlook for the enterprise as well as top-line growth and margins for many of our businesses
- Strong margins supported by expense discipline while investing for growth
    - Severance across the enterprise: $20M in 4Q23; $30M FY 2023

Growth

- Strength and resilience of our small to mid-sized customer segments contributing to growth across both retirement and benefits and protection; SMB recurring deposits +14%, Specialty Benefits premium and fees +9%, and Life Insurance business market premium and fees +26% vs. 4Q22; RIS SMB AV NCF +$0.8B in 2023
- 4Q23 NCF included $0.6B NCF in Principal International, positive $0.3B institutional NCF in PGI[3]; RIS total recurring deposits +12% vs 4Q22

Capital

- Strong excess and available capital position of $1.7B aided by management actions; remain focused on deploying capital to attractive growth opportunities and returning to shareholders
- Very strong free capital flow conversion in 4Q23; full year conversion of 100% including organic generation within our 75-85% targeted range
- Returned $1.3B of capital to shareholders in 2023; announced new share repurchase authorization of $1.5B and increased 1Q24 common stock dividend 2 cents to $0.69 per share

2024 Outlook

- Enterprise outlook: 9-12% growth in non-GAAP EPS[1] and 75-85% free capital flow conversion[4]
- $1.5 - $1.8B of capital deployments in 2024, including $0.8 - $1.1B of share repurchases and a 40% dividend payout ratio[4]

1 This is a non-GAAP financial measure; see reconciliation in appendix. 2 See slide 23 and 25 for details. 3 Excludes previously announced $2.3B outflow. 4 Based on net income attributable to PFG excluding income or loss from exited business.

Full year 2023 financial highlights

FY 2023 OPERATING RESULTS

Reported non-GAAP operating earnings[1]
$1,603M
(-1% vs. FY 2022)

Reported non-GAAP operating earnings per diluted share[1] (EPS)
$6.55
(+3% vs. FY 2022)

Impact of significant variances to non-GAAP operating earnings[2]
$(89)M after-tax
($(42)M pre-tax)

Impact of significant variances to non-GAAP EPS[2]
$(0.37)

Non-GAAP operating earnings, excluding significant variances (xSV)
$1,692M
(+1% vs. FY 2022)

Non-GAAP EPS, xSV
$6.92
(+6% vs. FY 2022; 2023 Outlook 3-6%)

AUM

Total company AUM managed by PFG
$695B
(+9% vs. 2022)

CAPITAL & LIQUIDITY

Excess and available capital
$1.7B
$935M at Hold Co
$375M excess subsidiary capital
$375M in excess of 400% RBC

Debt to capital ratio[4]
21.9%

PLIC RBC ratio
427%

CAPITAL DEPLOYMENTS

FY 2023 capital deployments
$1.3B returned to shareholders:
$0.7B of share repurchases
$0.6B of common stock dividends ($2.60 per share)

RETURN ON EQUITY[3]

12.8% reported
(13.5% xSV)

1 This is a non-GAAP financial measure; see reconciliation in appendix. 2 See slide 23 for details. 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. 4 This is a non-GAAP financial measure. Debt to capital ratio excludes cumulate change in fair value of funds withheld embedded derivative and AOCI.

4Q 2023 financial highlights

4Q 2023 OPERATING EARNINGS AND EPS

Reported non-GAAP operating earnings[1]

$441M
(+12% vs. 4Q 2022)

Impact of significant variances to non-GAAP operating earnings[2]

$5M after-tax
(+$5M pre-tax)

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

$436M
(+7% vs. 4Q 2022)

Reported non-GAAP operating earnings per diluted share[1] (EPS)

$1.83
(+16% vs. 4Q 2022)

Impact of significant variances to non-GAAP EPS[2]

$0.02

Non-GAAP EPS, xSV

$1.81
(+11% vs. 4Q 2022)

CAPITAL DEPLOYMENTS

4Q 2023 capital deployments

$410M returned to shareholders:

$251M of share repurchases

$159M of common stock dividends

Announced 1Q 2024 common stock dividend

$0.69
+8% from 1Q 2023 dividend

1 This is a non-GAAP financial measure; see reconciliation in appendix. 2 See slide 25 for details.

Principal®

Consistently recognized for excellence in business and workplace practices

Top Place to Work in Money Management, 12^{th} Consecutive Year
Pensions & Investments (December 2023)

Top Companies for Executive Women
Seramount (September 2023)

Best Employers for Women
Forbes (July 2023)

Best Employers for Diversity
Forbes (April 2023)

America's Greatest Workplaces, 5/5 stars
Newsweek (July 2023)

Cuprum - Most Innovative Company, AFP category
ESE Business School - Center for Innovation and Entrepreneurship (November 2023)

2023 World's Most Ethical Companies, 12^{th} time
Ethisphere (March 2023)

America's Most Cybersecure Companies
Forbes & Security Scorecard (June 2023)

2024 Best Places to Work in IT
Computerworld (November 2023)

Principal Real Estate 4-star rating, 8^{th} consecutive year
GRESB (November 2023)

100 Most Sustainable Companies
Barron's (March 2023)

Principal Thailand – Best Asset Management Company
Stock Exchange of Thailand (November 2023)

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Investment performance

% of funds outperforming Morningstar median[1,2]

As of 12/31/2023	1-Year	3-Year	5-Year	10-Year
Equity	53%	50%	74%	95%
Fixed Income	63%	56%	73%	82%
Asset Allocation	88%	67%	88%	76%
Total	70%	58%	80%	83%

% of composites outperforming benchmarks[1,3]

As of 12/31/2023	1-Year	3-Year	5-Year	10-Year
Equity	67%	38%	78%	86%
Fixed Income	68%	75%	96%	97%
Asset Allocation	27%	54%	27%	38%
Total	64%	55%	80%	86%

1 Equal weighted.

2 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.

3 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).

4 Includes only funds with ratings assigned by Morningstar; non-rated funds excluded (85 total, 80 are ranked).

ASSET WEIGHTED[4]

58%

of rated fund AUM has a 4 or 5 star rating from Morningstar

Retirement and Income Solutions

HIGHLIGHTS

- Pre-tax operating earnings excluding significant variances[1] increased primarily due to growth in the business and strong revenue retention, higher net investment income, as well as favorable markets
- 4Q23 sales of $5.1B, includes $1.2B in PRT; full year sales increased 9% over 2022, including $2.9B in PRT
- RIS recurring deposits +12% vs 4Q22 and +5% vs FY 2022

	Reported pre-tax operating earnings ($M)	**Significant variances[1]** ($M)	**Pre-tax operating earnings ex significant variances** ($M)
4Q23	$264.6	+$15.0	**$279.6**
4Q22	$204.0	+$25.3	**$229.3**
Change	**+$60.6 (+30%)**		**+$50.3 (+22%)**

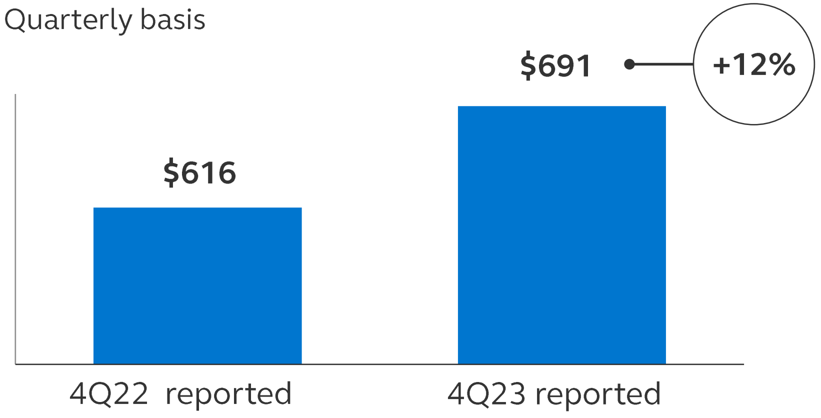
Delivered top-end of 2023 outlook: 4% net revenue growth and 39% margin

Trailing twelve month basis[2]

+4%	**39%**
change in net revenue	operating margin[3]
1-4% 2023 outlook	**35-39%** 2023 outlook

Net revenue ($M)

Quarterly basis



1 Impact of VII in 4Q23 and 4Q22.
2 Excludes impacts of actuarial assumption reviews and other significant variances.
3 Pre-tax operating earnings divided by net revenue.

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Principal Global Investors (PGI)

HIGHLIGHTS

- Pre-tax operating earnings decreased primarily due to lower performance fees
- PGI Managed AUM of $500B increased 7% over 2022; mixed net cash flow with +$1.9B of real estate flows for the full year more than offset by investors increasing allocations to cash and cash equivalents
- Stable fee rate of 28-29 bps

	Reported pre-tax operating earnings ($M)
4Q23	$127.3
4Q22	$138.6
Change	**-$11.3 (-8%)**

Delivered on 2023 margin outlook; demonstrated expense discipline despite pressured revenue

Trailing twelve month basis

-6%

change in operating revenues less pass-through expenses[1]

(1)-(5)%
2023 outlook

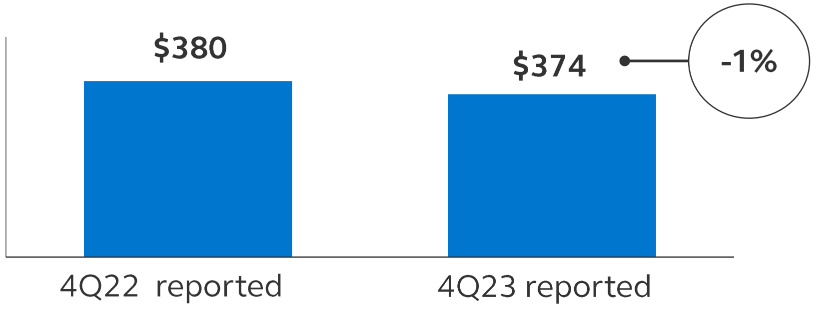
35%

operating margin[2]

34-37%
2023 outlook

Operating revenues less pass-through expenses ($M)

Quarterly basis



1 This is a non-GAAP financial measure; see reconciliation in appendix.
2 Pre-tax operating earnings, adjusted for noncontrolling interest, divided by operating revenues less pass-through expenses.

Principal International

HIGHLIGHTS

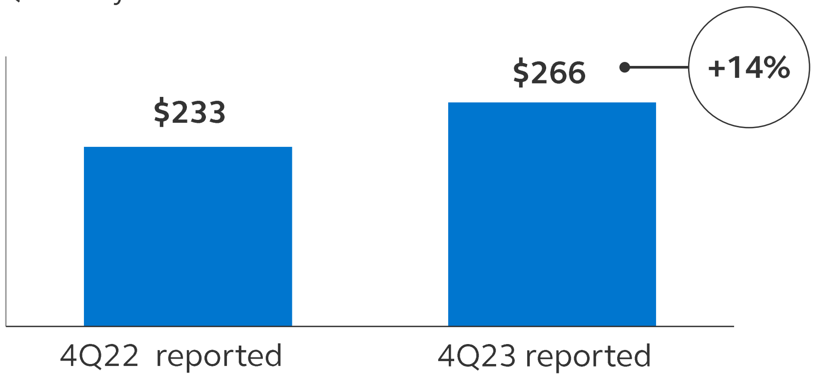
- Pre-tax operating earnings excluding significant variances[1] increased primarily due to higher combined net revenue on higher AUM
- Record AUM of $180B, up 15% from 4Q22
- Net cash flow of +$0.6B in 4Q23 and +$2.1B for the full year, with positive flows in both Asia and Latin America

	Reported pre-tax operating earnings ($M)	Significant variances[1] ($M)	Pre-tax operating earnings ex significant variances ($M)
4Q23	$92.0	-$17.2	**$74.8**
4Q22	$77.7	-$15.3	**$62.4**
Change	+$14.3 (+18%)		+$12.4 (+20%)

Delivered on 2023 outlook: 9% combined net revenue growth and 32% margin
Trailing twelve month basis[2]

+9% change in combined[3] net revenue	32% operating margin[4]
7-11% 2023 outlook	30-34% 2023 outlook

Combined net revenue (at PFG share)[5] ($M)
Quarterly basis



1 Impact of VII and higher than expected encaje performance 4Q23; impact of Latin American inflation, higher than expected encaje performance, and other items in 4Q22.
2 Excludes impacts of significant variances.
3 Combined basis includes all Principal International companies at 100%.
4 Pre-tax operating earnings divided by combined net revenue (at PFG share).
5 This is a non-GAAP financial measure; see reconciliation in appendix.

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Specialty Benefits

HIGHLIGHTS

- Pre-tax operating earnings excluding significant variances[1] increased as growth in the business and disciplined expense management were partially offset by less favorable underwriting experience
- Premium and fees increased 9% vs. both 4Q22 and FY 2022 driven by record full year sales, strong retention, employment and wage growth

	Reported pre-tax operating earnings ($M)	**Significant variances[1]** ($M)	**Pre-tax operating earnings ex significant variances** ($M)
4Q23	$119.3	+$2.0	**$121.3**
4Q22	$112.7	-	**$112.7**
Change	**+$6.6 (+6%)**		**+$8.6 (+8%)**

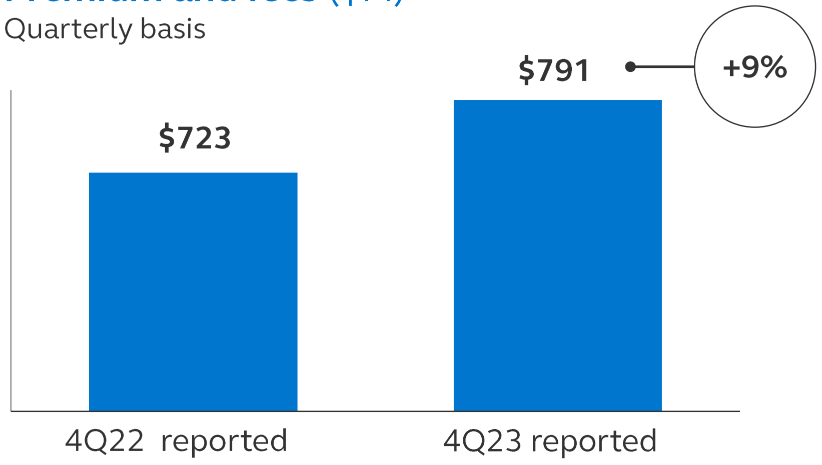
Delivered on 2023 outlook: 9% growth in premium and fees, 15% margin, and 61% loss ratio

Trailing twelve month basis

+9% change in premium and fees	**15%** operating margin[2,3]	**61%** incurred loss ratio[2]
8-10% 2023 Outlook	**12-16%** 2023 Outlook	**60-65%** 2023 Outlook

Premium and fees ($M)

Quarterly basis



1 Impact of VII in 4Q23.
2 Excludes impacts of actuarial assumption reviews and other significant variances.
3 Pre-tax operating earnings divided by premium and fees.

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Life Insurance

HIGHLIGHTS

- Pre-tax operating earnings excluding significant variances[1] decreased primarily driven by one-time expenses
- Premium and fees increased 5% from 4Q22 and 1% from FY 2022 as strong business market growth outpaced runoff of the legacy business
- 4Q23 sales increased 42% vs 4Q22 with strong growth in NQ and business owner products

	Reported pre-tax operating earnings ($M)	**Significant variances**[1] ($M)	**Pre-tax operating earnings ex significant variances** ($M)
4Q23	$25.1	+$5.0	**$30.1**
4Q22	$25.4	+$11.5	**$36.9**
Change	**-$0.3 (-1%)**		**-$6.8 (-18%)**

1 Impact of VII in 4Q23 and 4Q22.
2 Excludes impacts of actuarial assumption reviews.
3 Excludes impacts of actuarial assumption reviews and other significant variances.
4 Pre-tax operating earnings divided by premium and fees.

Delivered on 2023 premium and fees outlook

Trailing twelve month basis

+1%
change in premium and fees[2]

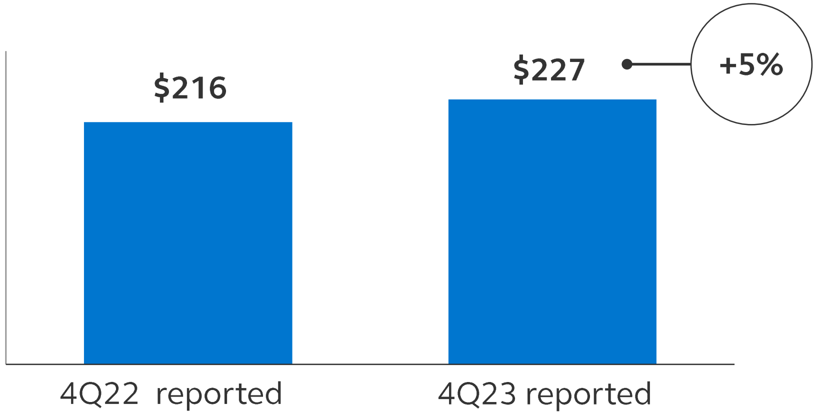
0-3%
2023 outlook

13%
operating margin[3,4]

14-18%
2023 outlook

Premium and fees ($M)

Quarterly basis



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2024 Outlook

2024 Outlook

Well-positioned to deliver on enterprise long-term guidance

Enterprise outlook

- **2024 outlook in line with long-term guidance** as EPS[1] will benefit from growth in the business, macroeconomic tailwinds, and higher share repurchases; partially offset by continued pressure on real estate and Asia as well as a higher effective tax rate:
    - 9-12% growth in EPS
    - 75-85% free capital flow conversion
    - Continued improvement in ROE[2] and expect to achieve 14-16% long-term target in 2025
- **Focused on returning excess capital to shareholders;** targeting $1.5B - $1.8B of capital deployments in 2024
    - Includes $0.8B - $1.1B of share repurchases and 40% dividend payout ratio
    - New $1.5B share repurchase authorization, in addition to $0.3B remaining on prior authorization as of the end of 2023

Assumptions

- **Equity markets:** 8% annual total return (6% price appreciation) as of 12/31/2023
- **Interest rates:** follow forward curve as of 12/31/2023
- **FX rates:** follow external consensus[3] as of 12/31/2023
- **Variable investment income:** assumes long term run rate; if current environment persists throughout 2024, expect continued pressure on prepayment fees and real estate returns

1 Non-GAAP operating earnings per diluted share; excludes significant variances. 2 Non-GAAP return on equity, excluding cumulative change in fair value of funds withheld embedded derivative and AOCI other than foreign currency translation adjustment.3 Latin America uses local Central Bank estimates; Asia uses Bloomberg.

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2024 Outlook

Guidance ranges on an excluding significant variances basis

		2023 EPS[1] x-SV	2024 and long-term guidance	
Total Company	**EPS growth**	$6.92	**9 - 12%**	Expect midpoint of 9-12% long-term range
	Effective tax rate		**17 - 20%**	Increased from 16-19% in 2023
		2023 revenue, x-SV[2] (in millions)	**Long-term guidance**	**2024 modeling considerations relative to long-term guidance**
Retirement and Income Solutions				
Retirement and Income Solutions	Net revenue	$2,697	**2 - 5%**	Benefits from macroeconomic tailwinds expected to drive revenue growth at the high-end or slightly above the range and margin at the upper end of the range
	Operating margin		**36 – 40%**	
Principal Asset Management				
Principal Global Investors	Operating revenues less pass-through expenses[3]	$1,489	**4 – 7%**	Lower real estate related fee revenue and impacts from recent redemptions expected to pressure revenue growth toward the low-end of the range and drive stable margin relative to 2023
	Operating margin		**34 – 38%**	
Principal International	Combined net revenue (at PFG share)[3]	$981	**7 – 11%**	Headwinds in Asia, closure of guaranteed retirement product in Hong Kong, and FX are expected to result in low single digit revenue growth and stable margin relative to 2023
	Operating margin		**34 – 38%**	
Benefits & Protection				
Specialty Benefits	Premium and fees	$3,055	**7 – 10%**	
	Operating margin		**12 – 16%**	
	Incurred loss ratio		**60 – 65%**	
Life Insurance	Premium and fees	$922	**1 – 4%**	Expect growth in premium and fees to benefit from focus on the business market; margin to be slightly below guided range due to lower net investment income as a result of capital optimization
	Operating margin		**15 – 19%**	
Corporate	Pre-tax operating losses		**$(375)M - $(425)M**	

1 Non-GAAP operating earnings per diluted share. 2 2023 revenue figures exclude the impacts of significant variances; see slide 24 for details. 3 This is a non-GAAP financial measure. See reconciliation on slide 29.

U.S. investment portfolio details

As of 12/31/2023, excluding funds withheld

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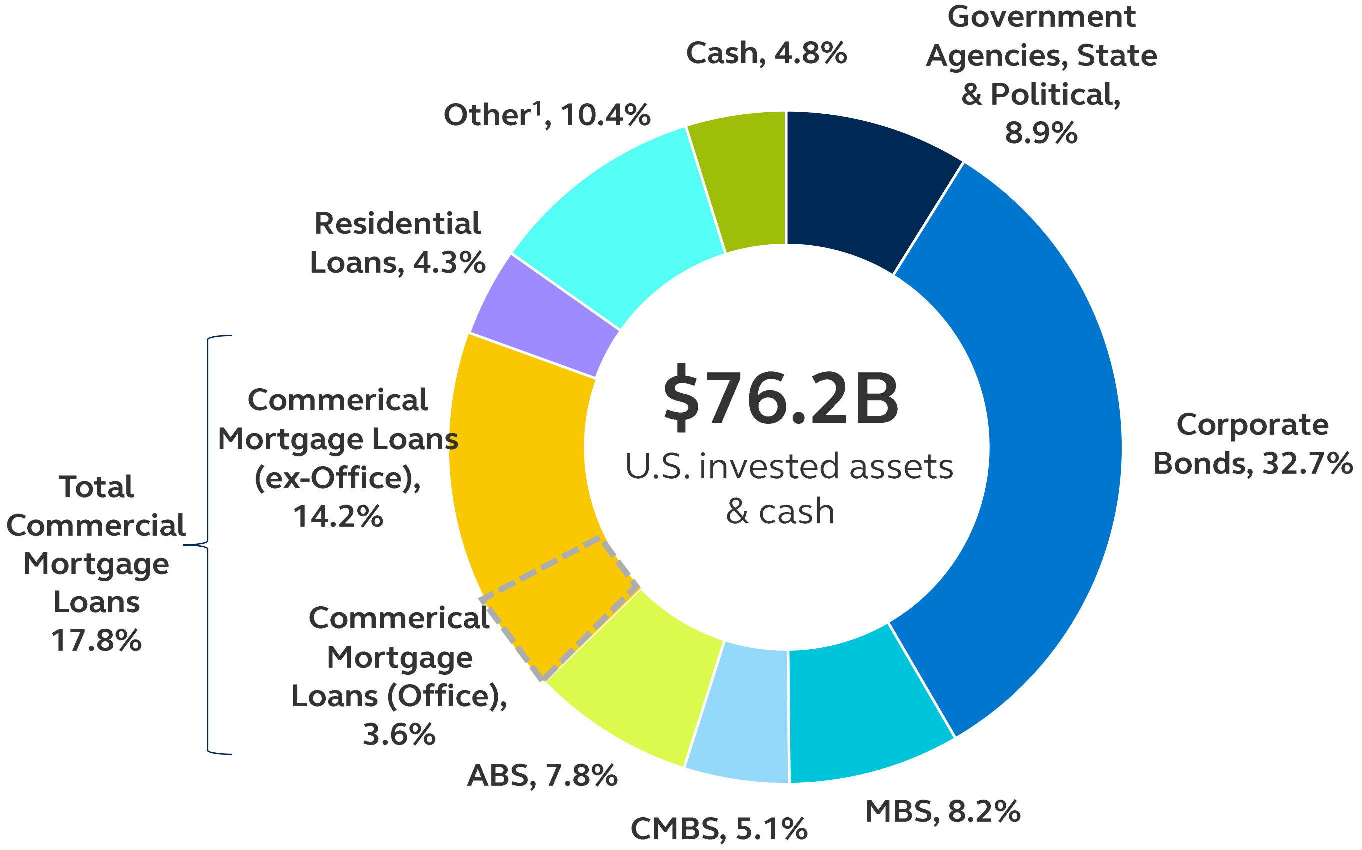
High quality and diversified investment portfolio

U.S. invested assets and cash; excluding funds withheld, as of 12/31/2023



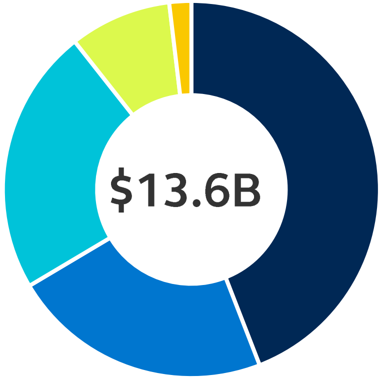
- Portfolio remains high quality, diversified, and well-positioned; matches our liability profile that has lower liquidity needs
- Diverse and manageable exposure to other alternatives and high-risk sectors
- CML portfolio remains healthy with average LTV 49% and DSC 2.5x
- Reduced our CML office exposure by 12% in 2023 as 10 loans matured, all were paid off and resolved
- Underlying metrics of 2024 CML office maturities are generally strong with average LTV 66% and DSC 3.8x; 11 loan maturities in total, one loan paid off in January, remaining 10 loans totaling $440M

1 Other includes equity securities, equity real estate, policy loans and other investments.

High quality commercial mortgage loan portfolio

U.S. invested assets excluding funds withheld, as of 12/31/2023

- Commercial mortgage whole loans remain high quality given the low leverage, strong debt service and high occupancy metrics within the portfolio
- Conservative underwriting standards and credit selection
- High quality portfolio to withstand downturns
- 67% of portfolio is comprised of apartment and industrial properties with healthy underlying fundamentals
- 89% current occupancy



Property type

- **44%** Apartments
- **22%** Office
- **23%** Industrial
- **9%** Retail
- **2%** All other

Portfolio quality	12/31/2023
A- and above	83.1%
BBB+ through BBB-	14.0%
Average LTV	49%
Average DSC	2.5x

Commercial Mortgage Loan – Total

Debt service coverage

Loan to value	>1.50x	1.25 - <1.50x	1.00 - <1.25x	<1.00x	Total
<50%	39.9%	3.4%	4.9%	0.8%	49.0%
50 - <60%	20.1%	3.7%	1.6%	0.3%	25.7%
60 - <70%	11.2%	2.5%	1.0%	0.0%	14.7%
70 - <80%	5.5%	1.7%	0.0%	0.0%	7.2%
80 - <100%	1.3%	0.5%	0.2%	1.5%	3.4%
>100%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	78.0%	11.7%	7.7%	2.6%	100.0%

CML - Office portfolio details

U.S. invested assets excluding funds withheld, as of 12/31/2023

- Office exposure remains high quality; highly selective on new office loans
- Office exposure of $3.0B, 3.6% of U.S. invested assets and cash; 12% lower than 12/31/2022 from loan repayments
- Each asset re-valued quarterly throughout 2023; valuations down 28% from peak
- 89% current occupancy

2024 Maturities

- 11 loan maturities, 1Q24 loan maturity paid off in January; remaining 10 loans totaling $440M
  - 8 of 10 maturities slated in 2H24
- 66% LTV and DSC 3.8x
- 94% current occupancy

Office portfolio quality	12/31/2023
A- and above	64.1%
BBB+ through BBB-	26.7%
Average LTV	60%
Average DSC	2.5x

Commercial Mortgage Loan – Office

Debt service coverage

Loan to value	>1.50x	1.25 - <1.50x	1.00 - <1.25x	<1.00x	Total
<50%	23.5%	2.6%	0.0%	2.3%	28.4%
50 -<60%	14.3%	2.7%	0.0%	0.0%	17.0%
60- <70%	16.3%	6.1%	2.2%	0.0%	24.6%
70 - <80%	15.1%	5.1%	0.0%	0.0%	20.1%
80 - <100%	2.3%	0.9%	0.0%	6.7%	9.9%
>100%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	71.4%	17.4%	2.2%	9.0%	100.0%

* Office portfolio contains two “at risk” loans of $20M. Reserve for full loan balances established in 2023 and excluded from matrix.

Mortgage & asset-backed fixed maturity securities

U.S. invested assets excluding funds withheld, as of 12/31/2023 ($ in millions)

Reduced size of CMBS portfolio by over 20%[1] since 2008. Overall quality of the portfolio improved; 97% of CMBS portfolio rated NAIC 1, up from 87% in 2008.

				% within NAIC designation[3]						
					NRSRO Rating within NAIC 1[4]					
	Amortized cost	Carrying amount	% of U.S. invested assets and cash[3]	NAIC 1	AAA	AA	Other NAIC 1	NAIC 2	NAIC 3-6	Total
Commercial mortgage-backed securities	$4,370	$3,855	5.1%	96.8%	**28.4%**	**58.8%**	**9.6%**	3.1%	0.1%	100.0%
Residential collateralized mortgage obligations	$3,608	$3,215	4.2%	99.5%	**40.9%**	**55.2%**	**3.4%**	0.2%	0.3%	100.0%
Residential mortgage-backed pass-through securities	$3,198	$3,062	4.0%	100.0%	**0.0%**	**100.0%**	**0.0%**	0.0.%	0.0%	100.0%
Collateralized loan obligations	$3,672	$3,657	4.8%	92.1%	**44.2%**	**28.6%**	**19.3%**	7.8%	0.1%	100.0%
Other asset-backed securities[2]	$2,380	$2,311	3.0%	88.4%	**44.0%**	**11.9%**	**32.5%**	9.5%	2.1%	100.0%
Total	**$17,228**	**$16,100**	**21.1%**	**95.6%**	**31.3%**	**52.3%**	**12.0%**	**4.0%**	**0.4%**	**100.0%**

1 Amortized cost. 2 Other includes auto loans, credit card loans, student loans and other asset backed securities.3 Percentages based on carrying amount of portfolio. 4 NRSRO rating detail for the NAIC 1 securities above generally represents most frequently occurring rating available from S&P, Moody's and Fitch. In the case of conflicting ratings, the lower rating was used.

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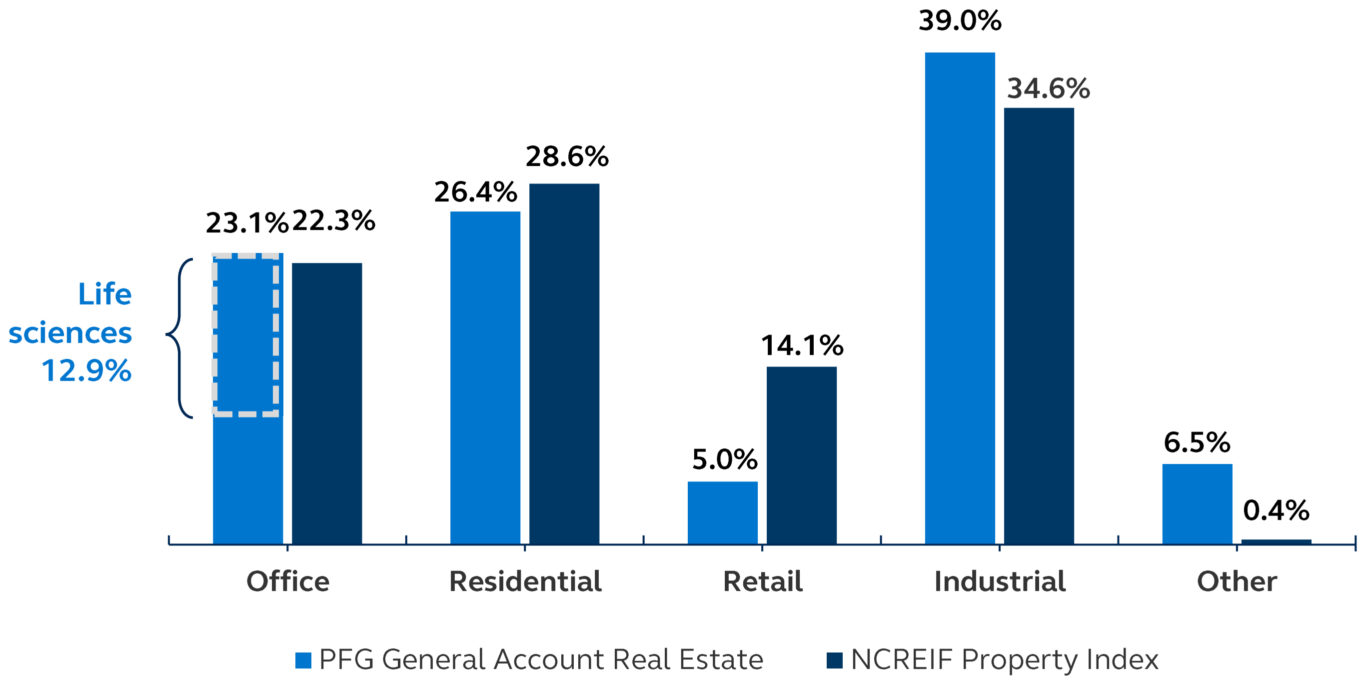
Equity real estate

U.S. invested assets excluding funds withheld, as of 12/31/2023

- Substantial cushion between market and carry values; risk of balance sheet impairment unlikely
- Well diversified portfolio across property types with largest allocation to industrial
- 23% of office exposure, includes ~13% in life sciences which continues to exhibit strong fundamental demand

Exposure	Market Value	Carry Value
Equity Real Estate Total	$5.2B	$2.7B
Equity Real Estate Office	$1.2B	$0.5B

Equity real estate exposure by property type vs. NCREIF property index[1]



1 Market value.

Equity real estate and other alternatives

U.S. invested assets excluding funds withheld, as of 12/31/2023

Core real estate is largest share of alternative asset exposure (carried at amortized cost). Future opportunity to harvest capital gains.
Diverse, manageable exposure to other alternatives.

Alternative Asset Class	Carrying Amount	% of Total	% of U.S. invested assets and cash, excluding funds withheld
Core Real Estate	$1,835.6	34.9%	2.2%
Opportunistic/Value-Add Real Estate	$780.3	14.8%	0.9%
Other Real Estate	$72.0	1.4%	0.1%
Total Real Estate[2]	**$2,687.9**	**51.1%**	**3.2%**
Cash Surrender Value of Company Owned Life Insurance[1]	$1,186.3	22.6%	1.4%
Cash Surrender Value of Trust Owned Life Insurance	$129.9	2.5%	0.2%
Private Equity/Infrastructure	$854.9	16.3%	1.0%
Direct Lending	$108.8	2.1%	0.1%
Hedge Funds	$128.2	2.4%	0.2%
Affordable Housing Projects and Other	$159.5	3.0%	0.2%
Total Other Alternatives	**$2,567.6**	**48.9%**	**3.1%**
Total Real Estate and Other Alternatives	**$5,255.5**	**100.0%**	**6.3%**

1 As of December 31, 2023, Company Owned Life Insurance underlying investments include 66% invested in other alternatives and 34% invested in high quality fixed income securities. 2 Certain real estate investments (funds, unconsolidated partnerships) are reported as other alternative investments in financial supplement and as other investments in GAAP reporting.

Appendix

Full year 2023 significant variances

Business unit impacts of significant variances (in millions)

	Actuarial assumption review	Variable investment income	Encaje and inflation	Other	Total significant variances
Retirement and Income Solutions	$53.4	$(71.0)	-	$11.0	$(6.6)
Principal International	-	$(18.9)	$13.5	$(2.0)	$(7.4)
Specialty Benefits	$16.2	$(12.5)	-	$(7.2)	$(3.5)
Life Insurance	$(6.4)	$(20.1)	-	-	$(26.5)
Corporate	-	$2.2	-	-	$2.2
Total pre-tax impact	$63.2	$(120.3)	$13.5	$1.8	$(41.8)
Total after-tax impact	**$(5.6)**	**$(93.5)**	**$9.0**	**$0.8**	**$(89.3)**
EPS impact					$(0.37)

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Full year 2023 significant variances

Revenue impacts of significant variances (in millions)

Business Unit	Revenue metric	2023 revenue, as reported	Actuarial assumption review	Variable investment income	Encaje and inflation	Other	2023 revenue, X-SV
Retirement and Income Solutions	Net revenue	$2,690	$53	$(71)	-	$11	$2,697
PGI	Operating revenue less pass-through commissions	$1,489	-	-	-	-	$1,489
Principal International	Combined net revenue (at PFG share)	$976	-	$(19)	$13	$1	$981
Specialty Benefits	Premium and fees	$3,055	-	-	-	-	$3,055
Life Insurance	Premium and fees	$922	-	-	-	-	$922

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4Q 2023 significant variances

Business unit impacts of significant variances (in millions)

	Variable investment income	Encaje	Total significant variances
Retirement and Income Solutions	$(15.0)	-	$(15.0)
Principal International	$(4.7)	$21.9	$17.2
Specialty Benefits	$(2.0)	-	$(2.0)
Life Insurance	$(5.0)	-	$(5.0)
Corporate	$9.8	-	$9.8
Total pre-tax impact	$(16.9)	$21.9	$5.0
Total after-tax impact	**$(11.0)**	**$15.9**	**$4.9**
EPS impact			$0.02

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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.

Non-GAAP operating earnings 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] +/- 2%	Certain alternative investment valuation [3] +/- 10%
Then Principal's annual non-GAAP pre-tax operating earnings will change by…	+/- 5-8%	+/- (1)-1%	-/+ < 1%	+/- < 8%
And the primary businesses impacted are…	RIS PGI	All	PI	RIS Life Insurance Specialty Benefits

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.

Non-GAAP financial measure reconciliations

Principal Global Investors operating revenues less pass-through expenses	Three months ended (in millions) 12/31/23	12/31/22
Principal Global Investors operating revenues	$403.8	$410.6
Principal Global Investors commissions and other expenses	(29.9)	(31.1)
Principal Global Investors operating revenues less pass-through expenses	**$373.9**	**$379.5**

Principal International combined net revenue (at PFG Share)	Three months ended (in millions) 12/31/23	12/31/22
Principal International pre-tax operating earnings	$92.0	$77.7
Principal International combined operating expenses other than pass-through commissions (at PFG share)	174.3	154.9
Principal International combined net revenue (at PFG share)	**$266.3**	**$232.6**

Non-GAAP operating earnings (losses)	Three months ended (in millions) 12/31/23	12/31/22
Net income attributable to PFG	$(871.7)	$(16.2)
Net realized capital (gains) losses, as adjusted	141.4	(116.6)
(Income) loss from exited business	1,170.8	527.1
Non-GAAP operating earnings	**$440.5**	**$394.3**

Diluted earnings per common share	Three months ended 12/31/23	12/31/22
Net income	$(3.66)	$(0.07)
Net realized capital (gains) losses, as adjusted	0.59	(0.47)
(Income) loss from exited business	4.85	2.12
Impact of dilutive shares	0.05	-
Non-GAAP operating earnings	**$1.83**	**$1.58**
Weighted-average diluted common shares outstanding (in millions)	**241.3**	**249.2**

Income taxes	Three months ended (in millions) 12/31/23	12/31/22
Total GAAP income taxes	$(268.0)	$(11.2)
Net realized capital gains (losses) tax adjustments	35.3	(34.2)
Income taxes attributable to noncontrolling interest	(0.3)	(0.2)
Income taxes related to equity method investments	21.0	6.8
Income taxes related to exited business	311.3	116.2
Income taxes	**$99.3**	**$77.4**

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Non-GAAP financial measure reconciliations

Non-GAAP operating earnings (Losses)	Twelve months ended (in millions) 12/31/23	12/31/22
Net income attributable to PFG	$623.2	$4,756.9
Net realized capital (gains) losses, as adjusted	87.9	165.6
(Income) loss from exited business	891.7	(3,303.7)
Non-GAAP operating earnings	**$1,602.8**	**$1,618.8**

Diluted earnings per common share	Twelve months ended 12/31/23	12/31/22
Net income	$2.55	$18.63
Net realized capital (gains) losses, as adjusted	0.36	0.65
(Income) loss from exited business	3.64	(12.94)
Non-GAAP operating earnings	**$6.55**	**$6.34**
Weighted-average diluted common shares outstanding (in millions)	**244.6**	**255.3**

Income taxes	Twelve months ended (in millions) 12/31/23	12/31/22
Total GAAP income taxes	$68.7	$1,189.5
Net realized capital gains (losses) tax adjustments	22.0	56.6
Income taxes attributable to noncontrolling interest	(0.6)	(0.3)
Income taxes related to equity method investments	78.9	54.5
Income taxes related to exited business	238.1	(956.4)
Income taxes	**$407.1**	**$343.9**

Principal Global Investors operating revenues less pass-through expenses	Twelve months ended (in millions) 12/31/23
Principal Global Investors operating revenues	$1,611.2
Principal Global Investors commissions and other expenses	(122.3)
Principal Global Investors operating revenues less pass-through expenses	**$1,488.9**

Principal International combined net revenue (at PFG Share)	Twelve months ended (in millions) 12/31/23
Principal International pre-tax operating earnings	$304.7
Principal International combined operating expenses other than pass-through commissions (at PFG share)	671.6
Principal International combined net revenue (at PFG share)	**$976.3**

Non-GAAP financial measure reconciliations

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	Period ended (in millions) 12/31/23
Stockholders' equity	$10,961.7
AOCI, other than foreign currency translation adjustment	3,847.3
Cumulative change in fair value of funds withheld embedded derivative	(2,027.9)
Noncontrolling interest	(45.7)
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	**$12,735.4**

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	Period ended 12/31/23
Net Income ROE available to common stockholders (including AOCI)	6.0%
Cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	(1.0)%
Net realized capital (gains) losses	0.7%
(Income) loss from exited business	7.1%
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	**12.8%**

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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

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 Sep. 30, 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.