



Revised: September 2023

Principal Overview

Four segments comprise the company: Retirement and Income Solutions, Principal Global Investors, Principal International, and U.S. Insurance Solutions.

The company employs roughly 9,000 people in Des Moines, Iowa, and owns and operates several buildings in the downtown area. The tallest, known as 801 Grand, is 45 stories tall (192m/630ft), and houses many other companies in addition to Principal.

As of March 2014, Principal employed 14,600 employees worldwide, with its Global Delivery center, Principal Global Services, in Pune, Maharashtra, India.

Principal also has a lobbyist registered in the Iowa Legislature since December 2016. He is designated to lobby the Executive Branch of the Government of Iowa.

In 2019, Principal purchased Wells Fargo's institutional retirement and trust business (including 401k, pension, executive deferred compensation, employee stock ownership plans and asset advice business) for \$1.2 billion. The deal was financed with cash and senior debt financing.

In 2021, activist investor firm Elliott Investment Management took a stake in Principal, saying it will push for changes at the company. Talks with Elliott resulted in the February 2021 announcement of two new independent directors to its board of directors.

Strengths

- Multiple product suite including dental, life, disability and supplemental health products.
- Noteworthy player in life and disability.
- Strong small business capabilities.

Weaknesses

- Lower dental market share.
- Slower to market with innovation
- Network lease arrangements.

Dental Plans and Programs

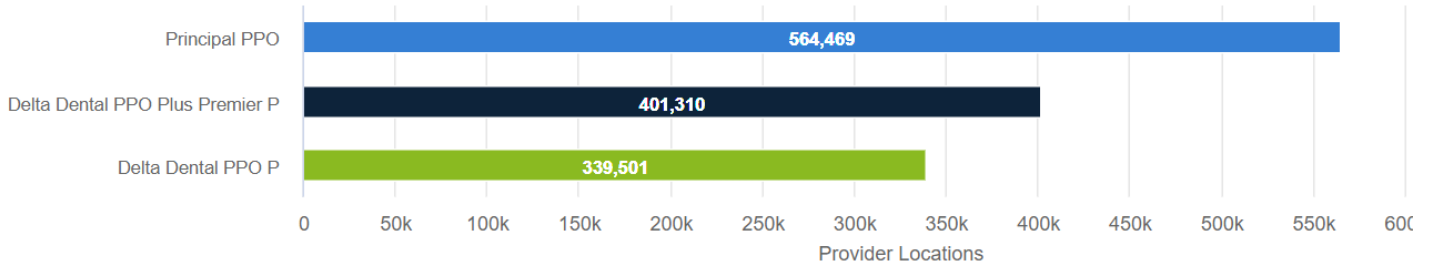
Key features of Principal dental insurance

- Deductibles waived when satisfied with prior carrier
- Refreshed annual maximum when a group becomes effective
- Mobile app for easy access to benefits, providers
- Maximum Accumulation - a portion of the unused calendar maximum rolls over to the next year.
- Preventive Passport - stretches benefits for routine care which doesn't count against the annual maximum.
- Dental Employee Choice - employers can offer two benefit designs. Employees choose at enrollment.
- Additional Riders - cosmetic services, dental implants, orthodontia and TMJ.
- Oral Health Programs allows members to get extra care - periodontal, cancer and second opinion.
- Total Management – small business solution that serves as a connections between employess and HR.

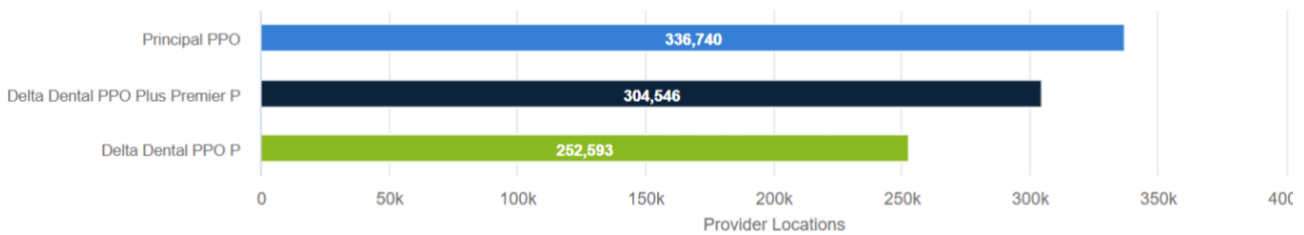
Nationwide Network Summaries

Network360 Data as of 9/23

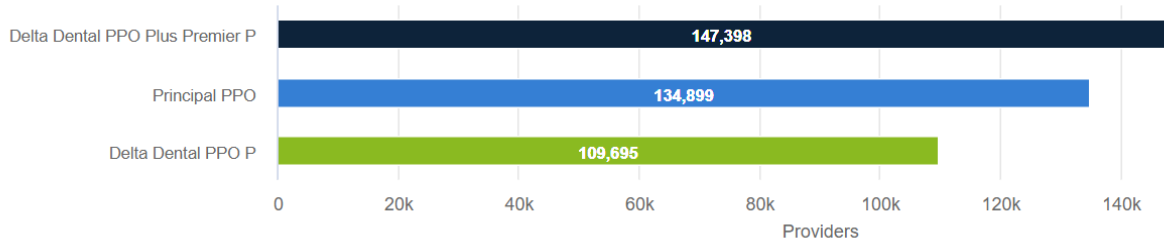
Access Points – Network360 September 2023



Access Points Confirmed - Network360 September 2023



Unique Providers – Network360 September 2023



Network Positioning

Contract Differences

Newsworthy

Principal® rated No. 1 for online group benefits administration

Principal Financial Group® was rated No. 1 in Group Benefits for employer web capabilities and experience by DALBAR, Inc. (DALBAR) for eService, its group benefits employer website. Principal® is dedicated to creating unique, tech-driven solutions for employers to simplify the benefits experience and helping with the administration of the coverage. “Principal focuses on providing the best experience for our customers through our digital solutions. We’re honored to receive this recognition for eService,” said Kara Hoogensen, senior vice president of specialty benefits at Principal. “We’ve built our infrastructure with small and mid-sized businesses in mind. Over the last several years, we’ve made it easier for our customers to manage their employee benefits online. We’re continually investing in technology to provide a better user experience for our customers.”

Principal eService provides employers with efficient benefit management. Employers can track benefit enrollment progress and update employees’ benefits within minutes. Since the process is highly automated, most changes made online are completed in real-time. Employers can add or terminate members, update salaries, change employees’ information, order dental and vision ID cards, track online transactions, and more. They can also get billing and payment information, such as a snapshot of their bill and premium due, set up and pay premiums electronically, and access reports.

The DALBAR Communications Seal of Excellence is awarded to financial services companies that display excellence in meeting the needs of customers and provide a best-in-class experience through their communications. The criteria evaluated for the Group Benefits Website Seal looks at the content, capabilities, usability, and behavior centricity of the website experience offered to employers. DALBAR takes a systematic approach to evaluating websites, differentiating organizations that recognize the importance of communicating effectively.

To learn more about the DALBAR Communications Seal of Excellence, visit www.dalbar.com/.