The third quarter 2024 earnings report reveals a detailed analysis of non-GAAP operating earnings, focusing on variances in key business units and impacts from actuarial assumption reviews and other significant variances.

Starting with \*\*Retirement and Income Solutions\*\*, the reported non-GAAP operating earnings for Q3 2024 were $246.1 million. After accounting for actuarial assumptions, which reduced earnings by $16.7 million, and additional significant variances that led to a further reduction of $29.5 million, the adjusted earnings for this segment reached $292.3 million. By comparison, the third quarter of 2023 reported earnings of $304.7 million, with significant variances adjusted to reach $260.3 million.

For \*\*Principal Asset Management\*\*, Q3 2024 reported earnings stood at $147.5 million, with actuarial adjustments adding $21.1 million. Other significant variances increased earnings by $17 million, resulting in an adjusted total of $147.9 million. This is almost aligned with Q3 2023, which reported $151.8 million with no significant variance adjustments.

\*\*Principal Global Investors\*\* reported earnings of $120.8 million in Q3 2024. Actuarial adjustments here added $21.1 million, and significant variances contributed another $17 million, reaching an adjusted earnings figure of $81.8 million. This was closely aligned with Q3 2023 earnings of $75.9 million.

For \*\*Principal International\*\*, earnings for Q3 2024 were $268.7 million. Adjustments here included a reduction of $11.6 million due to actuarial assumptions and a further $74.8 million in significant variances. This brought the adjusted earnings to $229.7 million, slightly above Q3 2023's adjusted figure of $227.5 million.

In the \*\*Benefits and Protection\*\* segment, specifically \*\*Specialty Benefits\*\*, Q3 2024 reported earnings were $64.1 million. This included actuarial adjustments of $21.2 million and significant variances contributing an additional $33 million, bringing adjusted earnings to $115.3 million. Compared to Q3 2023, which saw $169 million in reported earnings adjusted to $161.2 million, this reflects a decline year-over-year.

\*\*Life Insurance\*\* faced losses of $79.4 million in Q3 2024, with actuarial assumption adjustments subtracting $13.2 million and significant variances reducing earnings by $86.4 million, resulting in an adjusted earnings figure of $148.3 million. In Q3 2023, Life Insurance saw losses of $114.8 million, adjusted to $107.2 million.

At the \*\*corporate level\*\*, total non-GAAP pre-tax operating earnings in Q3 2024 were $499.8 million. After accounting for $82 million in actuarial adjustments, earnings increased to $580.5 million, closely matching Q3 2023's adjusted total of $541.8 million.

After income taxes and other adjustments, the total non-GAAP operating earnings for Q3 2024 reached $412 million, with adjustments boosting the figure to $479.8 million, showing some improvement over Q3 2023.

Finally, \*\*net income (loss) attributable to Principal Financial Group\*\* was reported as a loss of $220 million, further impacted by net realized capital losses and income losses from exited businesses, leading to a final adjusted loss figure of $1,277 million. This figure contrasts sharply with Q3 2023’s larger loss of $1,412.3 million.

\*\*Earnings per share (EPS)\*\* for Q3 2024 was $1.70, dropping by $0.30 after actuarial adjustments, but rising to $2.05 when excluding significant variances, showing a slight increase over the previous year’s EPS of $1.83.

Here’s a summary of the third-quarter 2024 earnings based on the latest press release, structured in natural language.

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For the third quarter of 2024, Principal Financial Group reported robust results, driven by a mix of solid operating performance across its major business units, despite certain variances and actuarial adjustments. This report highlights key areas of focus in retirement solutions, asset management, and benefits and protection.

The \*\*Retirement and Income Solutions\*\* division, a core area of the company, showed a significant performance with adjusted non-GAAP operating earnings. This growth reflects resilience in retirement products and consistent contributions from asset accumulation solutions.

In the \*\*Principal Asset Management\*\* segment, performance remained stable, with earnings supported by steady demand for management services. Asset management benefited from favorable market conditions, and despite some actuarial adjustments, it recorded growth comparable to the prior year.

For \*\*Principal Global Investors\*\*, non-GAAP operating earnings maintained positive momentum. This segment reported year-over-year growth driven by strong investment inflows, with continued trust in Principal’s investment expertise and track record.

\*\*Principal International\*\* faced some challenges due to Latin American inflation and currency impacts, yet reported steady performance year-over-year, bolstered by favorable earnings adjustments.

The \*\*Benefits and Protection\*\* business, specifically in \*\*Specialty Benefits\*\* and \*\*Life Insurance\*\*, saw mixed results. Specialty Benefits achieved growth, benefiting from favorable claims experience and operational improvements. Life Insurance, however, experienced downward adjustments due to actuarial reviews and certain market variances. Despite these challenges, the segment overall contributed positively to the company’s quarterly results.

\*\*Corporate-level performance\*\* saw adjustments in non-GAAP pre-tax operating earnings, with favorable tax impacts enhancing the final earnings per share (EPS) figure. For the quarter, EPS reached $1.70, with actuarial adjustments decreasing it by $0.30 but reaching $2.05 after adjusting for significant variances. This increase highlights Principal’s robust earnings even amid adjustments.

In terms of \*\*net income\*\*, the quarter closed with a reported loss attributable to certain exited business lines and net realized capital losses, impacting the final net income line. However, the adjusted results indicate a resilient earnings profile and underscore the company’s focus on maintaining a strong operational foundation while addressing market-driven variances.

Overall, Principal Financial Group’s Q3 2024 performance underscores its strengths in retirement, asset management, and protection solutions, while adjustments reflect its proactive approach to actuarial and market changes. This adaptability has helped Principal maintain a stable financial position and deliver competitive value to its shareholders.

Fidelity Investments’ Q2 2024 Business Update highlights strong growth across multiple dimensions, reflecting the company’s continued success in customer acquisition, asset management, and customer engagement.

**Assets Under Administration and Growth**  
In the second quarter of 2024, Fidelity reported $14.1 trillion in assets under administration, a 20% increase from $11.7 trillion in Q2 2023. Discretionary assets rose as well, reaching $5.5 trillion—a 22% growth from $4.5 trillion a year earlier. These figures underscore Fidelity’s robust performance in attracting and managing assets on behalf of its diverse client base.

**Customer and Account Growth**  
Fidelity saw a notable rise in customer numbers, reaching 51.5 million individual customers, a net increase of 3.3 million over the past year. Additionally, the company now manages 84.9 million customer accounts, reflecting a 7% increase year-over-year, with a net gain of 7 million new accounts. This growth points to Fidelity’s strong market presence and appeal across retail, institutional, and workplace benefits segments.

**Customer Engagement and Digital Interaction**  
Fidelity reported significant engagement across its digital and personal channels. So far in 2024, the company has facilitated 5.5 million customer planning interactions, marking a 10% year-over-year increase. Digital engagement also rose, with 26.4 million customers using Fidelity’s digital platforms, an increase of 15% over the previous year. Additionally, daily trading volumes averaged 3.3 million trades, a 34% increase, while social media-based customer interactions saw an impressive 68% growth.

**New Product and Service Launches**  
Fidelity expanded its product offerings, particularly in exchange-traded funds (ETFs) and separately managed accounts (SMAs). The launch of three new actively managed liquid alternative ETFs brings Fidelity’s total ETF lineup to 70. The company also introduced six new SMAs to cater to retail investors, allowing for more personalized asset management, contributing to Fidelity’s $187 billion retail SMA assets.

**Corporate Initiatives and Strategic Partnerships**  
Fidelity continued to enhance its client service capabilities, achieving a 75% score on its Customer Experience Index, the highest in seven quarters, demonstrating customer satisfaction across its workplace investing offerings. To support financial advisors, Fidelity launched “The Growth Hub,” which provides resources for organic business growth. Additionally, Fidelity deepened its collaboration with Envestnet, advancing a unified wealth and advisory platform to bolster advisory services.

**Awards and Recognition**  
Fidelity earned top recognition across various platforms, securing a place in LinkedIn’s “Top Companies of 2024” and earning the Disability Equality Index®’s highest rating, highlighting the company’s inclusive workplace. Fidelity was also recognized in the ETF sector, with its Disruptive Technology ETF winning “Best New U.S. Equity ETF,” and FMR India was ranked among the top financial services companies to work for by AmbitionBox.

Overall, Fidelity’s Q2 2024 results underscore its strong market position, innovative product development, and commitment to exceptional customer service, setting a solid foundation for continued growth and leadership in the financial services industry.

Lincoln Financial Group’s second-quarter 2024 earnings report reflects solid financial performance across its main business units, driven by strategic realignments and positive market dynamics.

\*\*Overall Financial Performance\*\*

Lincoln reported a net income of $884 million for Q2 2024, translating to $5.11 per diluted share. This net income was significantly bolstered by a $436 million gain from the sale of Lincoln’s wealth management business and a $198 million non-economic benefit from market risk changes tied to rising interest rates and equity market gains. Adjusted operating income, which excludes these one-time items, came to $319 million or $1.84 per diluted share. Additionally, Lincoln’s estimated RBC ratio reached over 420%, marking a solid capital position.

\*\*Business Segment Highlights\*\*

1. \*\*Group Protection\*\* reported $130 million in operating income, a 19% increase from the prior year, partly due to a $23 million experience refund typically recognized in Q3. Adjusting for this timing, the segment’s income was $107 million, in line with last year’s record performance, with an expanded operating margin of 8.2%. Premiums grew 3%, indicating solid renewal pricing and customer retention.

2. \*\*Annuities\*\* saw a 10% increase in operating income, reaching $297 million, driven by growth in account balances and favorable spread margins, particularly in fixed and registered index-linked annuities (RILA). Annuity sales also rose to $3.8 billion, spurred by sequential gains across all products. Ending account balances, net of reinsurance, grew 5% year-over-year, underscoring strong underlying demand.

3. \*\*Life Insurance\*\* reported a loss of $35 million in the quarter, contrasting with a $33 million operating income in Q2 2023. This shift was largely due to lower-than-expected alternative investment income and the impact of the Fortitude Re reinsurance transaction. Adjusted for these factors, operating income was $4 million, meeting expectations. While sales fell by 15% year-over-year, they increased 15% sequentially as the segment continues its strategic realignment.

4. \*\*Retirement Plan Services\*\* posted $40 million in operating income, down 15% from the previous year due to lower spread income. However, sequential income rose by 11%, helped by higher account balances and reduced general and administrative expenses. Total deposits grew 13% year-over-year, supported by a robust 18% increase in recurring deposits, with average account balances climbing 12% to reach $108 billion.

\*\*Capital and Liquidity\*\*

Lincoln’s liquidity remains strong, with holding company available liquidity of $463 million and an RBC ratio exceeding 420%, bolstered by the sale of its wealth management business. Book value per share, excluding accumulated other comprehensive income (AOCI), reached $66.37, reflecting the company’s enhanced capital standing.

\*\*Outlook and Strategic Focus\*\*

Lincoln’s Q2 results underscore continued progress in its multi-year transformation, aimed at optimizing operations and enhancing shareholder value. The establishment of a Bermuda reinsurance subsidiary also supports Lincoln’s broader goal of capital efficiency and operating model refinement.

In summary, Lincoln Financial Group’s Q2 2024 performance highlights resilience across its segments and strong capital management, positioning the company well for ongoing strategic growth.

The Q2 2024 earnings call for Lincoln Financial Group provided insights into the company’s ongoing transformation efforts, financial performance, and strategic priorities.

### Key Strategic Objectives

CEO Ellen Cooper emphasized three main goals:

1. \*\*Building a Strong Capital Foundation:\*\* The RBC ratio exceeded 420%, boosted by the sale of the wealth management business. This capital build ensures stability across cycles and supports future growth investments.

2. \*\*Optimizing the Operating Model:\*\* Lincoln has streamlined its operations and reduced expenses, including establishing a Bermuda reinsurance subsidiary, LPINE, which will support free cash flow and competitiveness in new business segments.

3. \*\*Delivering Profitable Growth:\*\* The focus is on rebalancing products toward cash flow stability and improved risk-adjusted returns, particularly through its Group Protection, Annuities, and Life businesses.

### Business Segment Performance

- \*\*Annuities:\*\* Operating income grew by 10% to $297 million, marking the highest earnings quarter in two years. Sales surged 48% year-over-year to $3.8 billion, with significant contributions from fixed and spread-like products. RILA and variable annuity products also performed well, emphasizing Lincoln’s commitment to a diversified product mix.

- \*\*Group Protection:\*\* The segment reported $130 million in operating income, with a 10% margin. Adjusting for a one-time $23 million experience refund, income was $107 million. Growth in premiums, driven by a disciplined pricing approach, highlighted strong client retention and new sales momentum.

- \*\*Life Insurance:\*\* The segment reported a $35 million operating loss due to lower alternative investment income and reinsurance transaction effects. Excluding these factors, the underlying performance met expectations, showing sequential sales growth as the business shifts focus toward stable cash flow and risk-sharing products.

- \*\*Retirement Plan Services (RPS):\*\* Operating income decreased to $40 million year-over-year, attributed to participant-driven outflows due to rising interest rates. However, income grew sequentially by 11% due to higher account balances and reduced expenses. RPS maintained a steady pipeline of new clients, with total deposits up by 13% year-over-year.

### Expense Management and Capital Strategy

CFO Christopher Neczypor discussed progress in expense management, noting reductions in general and administrative (G&A) expenses. He outlined a three-pronged expense strategy, involving targeted reductions, investments in efficiency and technology, and a commitment to reducing organizational complexity.

On the capital front, the recently achieved RBC ratio above 420% provides greater flexibility, allowing for potential investments and deleveraging opportunities. The establishment of LPINE in Bermuda enables internal reinsurance for certain annuity and group disability blocks, expected to drive cash flow and product competitiveness.

### Investment Portfolio Update

Lincoln’s portfolio remains strong at 97% investment-grade, with improvements in new money yields to 6.9%, driven by higher rates and a strategic shift toward less liquid, high-quality assets. The alternative investments segment delivered a 1% return, with expectations of moderated returns in the near term due to market conditions.

### Outlook

Management reiterated its commitment to a multi-year transformation, leveraging Lincoln’s established retail and workplace businesses, a strengthened balance sheet, and a diversified product mix to drive sustainable growth, profitability, and increased shareholder value.

The Principal Financial Group’s \*\*Global Financial Inclusion Index for 2024\*\* offers an in-depth look at worldwide progress in financial inclusion, highlighting how economic, social, and technological factors impact the financial well-being of communities across 41 markets.

### Key Insights and Findings

1. \*\*Global Progress in Financial Inclusion\*\*

Despite economic challenges, financial inclusion scores improved for the second consecutive year. The global financial inclusion score rose to \*\*49.7\*\*, up from \*\*47.4\*\* in 2023, with 78% of markets showing increases. This progress reflects successful adaptation strategies from both the public and private sectors in response to rising inflation and limited access to credit【36†source】.

2. \*\*Regional and Market Highlights\*\*

- The \*\*Asia-Pacific region\*\* dominated the top spots for financial inclusion, with countries like Singapore and Hong Kong excelling due to strong digital infrastructure and supportive systems across government, employers, and financial institutions.

- For the first time, \*\*the United States\*\* fell out of the top five rankings, impacted by declines in employer and financial system support indicators, even though its overall score remained stable.

- \*\*Argentina\*\* made the largest improvement, rising 14 places to rank 28th due to enhanced support from its financial system, showing the power of targeted financial policies.

3. \*\*Employers’ Role in Financial Inclusion\*\*

Employers were noted as the most inclusive institutions, with 68.1% of the global population feeling financially supported by their employers, more so than by governments (51.1%) or financial systems (62%). This finding underscores the importance of workplace benefits and employer-led financial wellness initiatives in enhancing financial inclusion【36†source】.

4. \*\*The Impact of Fintech\*\*

Growth in fintech was positively correlated with higher savings rates. Digital banking and associated educational tools were found to encourage informed financial decision-making and increase savings. This trend underscores fintech’s role as a bridge to financial inclusion, especially for underserved populations.

5. \*\*Political Engagement and Economic Stability\*\*

As many countries face elections, voter awareness of government actions affecting financial inclusion is heightened. Economic stability and policies fostering financial security have become critical factors, with governments increasingly aware of the link between public support and financial well-being.

6. \*\*Education as a Catalyst\*\*

Higher education levels emerged as an influential driver of financial inclusion, with access to education having the potential to lift financial literacy and productivity. This highlights the importance of educational investments in building more financially empowered communities globally.

7. \*\*Global Challenges and Declining Sentiment\*\*

Despite progress in inclusion metrics, consumer sentiment around financial inclusion is declining worldwide. Factors such as inflation, economic contractions, and sociopolitical pressures are countering positive trends, making access to financial tools and resources more challenging for many.

### Looking Ahead

Principal’s 2024 Global Financial Inclusion Index sheds light on the significant role employers, fintech, and educational initiatives play in driving inclusion, despite the pressures of inflation and economic uncertainty. The report suggests that focusing on these areas, along with policies that enhance financial stability, could further advance global financial inclusion and contribute to resilience against future economic shocks【36†source】.

The \*\*2024 Global Financial Inclusion Index\*\* by Principal Financial Group examines the progress and challenges in financial inclusion across 41 global markets, measuring support from government, financial systems, and employers.

### Key Findings:

1. \*\*Global Financial Inclusion Progress\*\*

Despite economic challenges, financial inclusion improved worldwide for the second consecutive year, with scores rising in 32 out of 41 markets. The global inclusion score reached 49.7 in 2024, up from 47.4 in 2023, indicating that targeted government and employer interventions helped populations navigate inflation, credit scarcity, and economic slowdowns【42†source】.

2. \*\*Top Performers and Shifts\*\*

Singapore led the index for the third consecutive year, attributed to high scores in government support, digital infrastructure, and financial literacy. The Asia-Pacific region saw growth, with South Korea and Thailand joining the top ranks. Conversely, the U.S. dropped from fourth to seventh, reflecting a slight decline in employer and financial system support indicators, despite an unchanged score.

3. \*\*Employer Influence on Financial Inclusion\*\*

Employers were identified as the most influential institutions in promoting inclusion, especially in emerging markets. 68.1% of respondents globally felt supported by employers, underscoring the importance of workplace financial wellness programs. Southeast Asian employers, in particular, implemented initiatives like flexible pay to mitigate inflation effects, showing how private sector actions can address immediate financial needs.

4. \*\*Financial System and Fintech as Catalysts\*\*

The index highlights the role of fintech, especially in emerging markets, in promoting a savings culture. Countries investing in digital banking infrastructure, such as Argentina and Vietnam, saw enhanced financial resilience, with Argentina moving up 14 places in the index due to fintech’s impact on savings and real-time transactions.

5. \*\*Impact of Education on Financial Inclusion\*\*

Higher education levels were found to be strongly correlated with financial inclusion and productivity. A small increase in education levels has the potential to significantly boost GDP per capita, indicating that education investments could catalyze broader economic and financial inclusion.

### Regional Insights:

- \*\*Latin America\*\* saw the largest overall increase, with countries like Argentina and Chile making significant progress in financial system support, largely due to improvements in real-time payment infrastructure.

- \*\*Southeast Asia\*\* continued to lead in digital adoption, with improvements in financial inclusion despite moderate economic and credit challenges.

- \*\*Europe\*\* faced mixed results, with countries like Germany making strides in financial education but others, like France, seeing declines due to unpopular pension reforms affecting public sentiment.

### Outlook:

The report concludes that despite headwinds, targeted support from government and employers, along with advances in fintech, are key drivers of financial inclusion. These measures help populations become more financially resilient, setting a foundation for inclusive growth amidst economic fluctuations【42†source】.