

During Economic Bust, Best Companies Don't Burden Employees Announcing: The Principal 10 Best Companies for Employee Financial Security—2008

(Des Moines, Iowa) – By providing financial security in what some are calling a recession, 10 growing companies have earned national acclaim for standing by their employees.

An independent panel of benefits experts selected *The Principal*[®] *10 Best Companies for Employee Financial Security—2008*, in large part for finding ways to maintain and expand benefits rather than slash them.

Calling their unwavering commitment to their employees “remarkable,” judges applauded the winners for expanding wellness and preventative care programs as well as continuing to share significantly in the cost of health insurance.

“What they’re doing in many cases is simply not putting any more burden on the employee. That’s no small feat given what’s happened with costs,” said 10 Best judge Nevin Adams, editor-in-chief, PLANSPONSOR Magazine and PLANSPONSOR.com. “That’s a big commitment.”

Judges also cited winners for ramping up benefits communication and education—including sessions on investing in uncertain economic times—and efforts to boost retirement plan savings.

The 2008 winners are:

- 1st United Services Credit Union, Pleasanton, Calif.
- A.Y. McDonald Manufacturing Company, Dubuque, Iowa
- CENTRIA, Moon Township, Pa.
- Jewelers Mutual Insurance Company, Neenah, Wis.
- NJ Sullivan Company, Inc., Dulles, Va.
- NORCAL Mutual Insurance Company, San Francisco, Calif.
- North Island Credit Union, San Diego, Calif.
- SAE International, Warrendale, Pa.
- The Spiratex Company, Romulus/Monroe, Mich.
- Torch Technologies, Inc., Huntsville, Ala.

Profiles of the winners are available at www.principal.com/10best. The Principal Financial Group[®] sponsors the program, which is now its seventh year. It honors growing companies for their commitment to their employees’ financial security.

Great benefits are good business

“Against the backdrop of a slowing economy, *The Principal 10 Best Companies* once again demonstrate that an investment in employee financial security is an investment in company financial security,” said Renee Schaaf, vice president at The Principal[®]. “They attribute their low turnover and high productivity to top-notch benefits. That has a direct impact on the bottom line.”

The winning companies have turnover rates that are significantly lower than others in their industries. The winners' average annual voluntary turnover rate is 7.7 percent compared to the national average of 21.9 percent¹.

“*The Principal 10 Best* know that strong benefits programs are critical to their long-term survival and their long-term profitability,” said 10 Best judge Dallas Salisbury, president and CEO, Employee Benefit Research Institute.

The strategies employed by *The Principal 10 Best Companies* provide a model for other growing businesses that want to become the employer of choice in their industry.

Top benefit trends

- **Expanded wellness programs**—more comprehensive programs with onsite biometric screenings, disease management, fitness centers and incentives to stay healthy
- **Ramped up communication and education efforts**—holding meetings after business hours so spouses can attend and holding contests to engage employees
- **One-on-one meetings at the worksite**—All winners provide one-on-one financial and/or benefits guidance, and two companies make attendance mandatory. Some include topics such as reducing credit card debt, buying a home and saving for college and several hold employee sessions on investing in tough economic times.
- **Focus on boosting retirement savings**—increased employer matches and shorter waiting periods—some immediate—for eligibility and vesting; auto savings tools, lifecycle funds
- **Phased retirement**—Eight out of 10 winners give retiring employees ways to keep working part-time

To learn more about the winners, visit www.principal.com/10best. A full report on the benefits strategies of the winners will be published in January 2009.

About The Principal 10 Best Companies Program

The Principal 10 Best Companies is a national program that recognizes small- and medium-size companies that excel at giving their employees a financial edge. Entrants must:

- Have between five and 1,000 employees
- Be based in the United States
- Have provided a broad range of employee benefits for at least five years
- Offer traditional employee benefits such as retirement, health, life and/or disability

No entry fee is required. Companies owned by employees of The Principal are not eligible to enter. For more information, visit www.principal.com/10best.

¹ Bureau of Labor Statistics 2007 voluntary quit rate

About The Principal Financial Group

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³ As of June 30, 2008