

AM Best, Fitch Ratings Affirm Northwestern Mutual's Highest Possible Financial Strength Rating

Ratings Agencies Highlight Balance Sheet, Business Profile and Financial Representatives

MILWAUKEE, May 7, 2020 /PRNewswire/ -- Northwestern Mutual has once again received the highest possible financial strength ratings with a stable outlook from global rating agencies AM Best (A++) and Fitch Ratings (AAA).

"Our unsurpassed financial strength gives our clients confidence that their company is well positioned to meet all of its commitments and continue to thrive for years to come," said John Schlifske, chairman, president, and chief executive officer. "These agency ratings – the first for us since the start of the crisis – reaffirm our exceptional financial strength and stable outlook, even in today's challenging environment."

The ratings are the result of a comprehensive analysis – including extreme-case stress testing – with the agencies pointing to a range of factors behind Northwestern Mutual's industry-leading financial strength, including the company's very favorable business profile, very strong operating performance, high quality of capital and strong career distribution system.

"In 2019, we broke multiple financial records, including total revenue and assets," said Todd Jones, vice president and controller. "Even more significant was what we did with them. We announced the company's highest ever dividend payout while maintaining a record surplus level. So, though we certainly didn't predict the pandemic or its economic fallout, we were exceptionally well prepared for it. That's why we always make the combination of product value and financial strength a top priority."

With the economic impact of coronavirus, some of the usual contributing factors took on added relevance. Both agencies called attention to Northwestern Mutual's substantially larger block of whole life insurance compared to other insurers and noted its high creditworthiness and low-risk profile among life insurance products. And, AM Best rated the company's enterprise risk management (ERM) program very strong, with "a robust commitment to strong ERM practices."

Reports also credited key competitive advantages

Exclusive agency force: "Contributing to Northwestern Mutual's very favorable business profile is the group's exclusive agency force." AM Best also recognized the company's recruitment program for the consistent flow of younger talent joining the company financial representative ranks.

Brand recognition: The company's business profile benefits from strong brand recognition, with national reach in the affluent market.

Low expenses: Fitch cited the company's low expense structure relative to peers.

Industry-leading financial strength ratings

With these latest affirmations, Northwestern Mutual continues to have the highest financial strength ratings awarded to any U.S. life insurer by all four of the major rating agencies: AM Best Company, A++ (highest), April 2020; Fitch Ratings, AAA (highest), May 2020; Moody's Investors Service, Aaa (highest), September 2019; and S&P Global Ratings, AA+ (second highest), December 2019. Third-party ratings are subject to change.

Ratings are for The Northwestern Mutual Life Insurance Company and Northwestern Long Term Care Insurance Company.

For more information, see the [Our Commitment to Financial Strength](#) page on northwesternmutual.com.

About Northwestern Mutual

Northwestern Mutual has been helping people and businesses achieve financial security for more than 160 years. Through a holistic planning approach, Northwestern Mutual combines the expertise of its financial professionals with a personalized digital experience and industry-leading products to help its clients plan for what's most important. With \$290.3 billion in total assets, \$29.9 billion in revenues, and \$1.9 trillion worth of life insurance protection in force, Northwestern Mutual delivers financial security to more than 4.6 million people with life, disability income and long-term care insurance, annuities, and brokerage and advisory services. The company manages more than \$161 billion of investments owned by its clients and held or managed through its wealth management and investment services businesses. Northwestern Mutual ranks 111 on the 2019 FORTUNE 500 and is recognized by FORTUNE® as one of the "World's Most Admired" life insurance companies in 2020. Northwestern Mutual also received the highest score among individual life insurance providers in the J.D. Power 2019 U.S. Life Insurance Satisfaction Study.

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI (life and disability insurance, annuities, and life insurance with long-term care benefits) and its subsidiaries. Subsidiaries

include Northwestern Mutual Investment Services, LLC (NMIS) (securities), broker-dealer, registered investment adviser, member FINRA and SIPC; the Northwestern Mutual Wealth Management Company® (NMWMC) (fiduciary and fee-based financial planning services), federal savings bank; and Northwestern Long Term Care Insurance Company (NLTC) (long-term care insurance).

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