Top Ratings Agencies Award Northwestern Mutual Highest-Available Financial Strength Designations for 35th Consecutive Year

$42+ billion surplus, nearly $2.5 billion in monthly investable cash flow, elite financial strength enable the company to take on more calculated investment risk in pursuit of superior returns

MILWAUKEE, Dec. 31, 2025 /PRNewswire/ -- For the 35th consecutive year, Northwestern Mutual has earned elite financial strength designations from all four of the nation's leading ratings agencies.[1] Recently, one of those agencies, A.M. Best Company, announced that it affirmed Northwestern Mutual's rating of "A++," the best possible award for a U.S. life insurance company. Fitch Ratings, Moody's Investors Service, and S&P Global Ratings awarded the company top marks earlier this year. No U.S. life insurer has earned higher financial strength ratings than Northwestern Mutual.

"Financial strength is a hallmark of Northwestern Mutual," said Tim Gerend, the company's chairman, president, and chief executive officer. "We have over $42 billion in surplus and average $2.5 billion in investable cash flow coming into our company every month. That incredible strength and liquidity means we can keep promises to clients, invest opportunistically on their behalf, and deliver industry-leading long-term value to policyowners in both stable and volatile markets."

Financial Strength Creates Opportunities to Go on Offense

This year, Northwestern Mutual's General Account – the investment portfolio that backs the leading financial services firm's promises to policyowners – totaled more than $335 billion.

A significant portion of the General Account is invested in higher-quality, lower-risk assets. However, thanks to the company's exceptional financial strength, Northwestern Mutual can invest a greater percentage of its General Account into higher-risk assets – in pursuit of higher potential returns. Northwestern Mutual currently invests approximately 19% of its General Account into higher-risk assets, much higher than the industry average.

Northwestern Mutual's financial strength also enables it to invest more heavily in illiquid assets than its peers. About 50% of Northwestern Mutual's General Account is invested in illiquid assets, which over the long term should provide greater yields than liquid counterparts. The company's institutional investments team consistently seeks out attractive illiquid private and real estate investments to drive policyowner value. Even with this larger allocation to illiquid investments, the company maintains "outstanding liquidity" that is "unique in the industry" as measured by the ratings agencies.

The chief way Northwestern Mutual's clients benefit from the performance of its General Account is through receiving dividends. The investment returns the portfolio generates are a major contributor to the company's industry-leading dividend payout – projected to reach a record-setting $9.2 billion in 2026.[2] In the past three years, Northwestern Mutual's annual dividend has grown by nearly $2.4 billion – the largest increase in company history and the largest in industry history. That increase is nearly the same amount the company's closest competitor paid – in total – to its policyowners in 2025.

Along with its dividend payout, Northwestern Mutual's surplus hit a company-record$42 billion this year. That surplus helps the company invest with a long-term focus and also act opportunistically in any market while maintaining best-in-class financial strength ratings. It's not a choice of which to focus on – Northwestern Mutual seeks to achieve both simultaneously.

"Financial strength creates a perfect circle of success for our company, clients, and advisors," said Gerend. "Our financial strength enables us to deliver more value to clients. As a result, more clients seek out our advisors for financial security. As more cash flow comes into the company, we're able to invest it strategically on our clients' behalf and add even more to our dividends and our surplus, bolstering our financial strength – and their policy value."

Reaffirming Northwestern Mutual's Financial Strength

As part of their announcements of Northwestern Mutual's ratings, each of the agencies offered comments explaining their rationale for awarding the company an elite designation.

A.M. Best Company wrote that Northwestern Mutual's "overall investment portfolio is highly diversified with a well-managed asset/liability management strategy."

Fitch Ratings, which awarded Northwestern Mutual a 'AAA (Exceptionally Strong)' rating with a 'stable' outlook, wrote that the ratings "reflect exceptionally strong capitalization, a leading competitive position in the U.S. individual life insurance market and a conservative liability profile. Key competitive advantages include a successful distribution system, a large and stable block of

traditional life insurance, and a low expense structure relative to peers."

Moody's Investors Service, in awarding Northwestern Mutual with its 'Aa1' rating and 'stable' outlook, wrote that this "reflects the company's exceptional business and financial profile, supported by its leading position and strong life franchise in its core market… and a robust and resilient balance sheet characterized by consistent investment performance and strong capitalization." The agency also noted that Northwestern Mutual's "strong distribution network and advisor retention provide industry leadership and support its multi-year strategy."

S&P Global Ratings awarded Northwestern Mutual a 'AA+' rating with a 'stable' outlook, noting that the company's "excellent financial risk profile is supported by capital adequacy at our (S&P's) highest stress level… and relatively low leverage."

About Northwestern Mutual

Northwestern Mutual has been helping people and businesses achieve financial security for more than 165 years. Through a comprehensive 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 nearly $700 billion of total assets[i] being managed across the company's institutional portfolio as well as retail investment client portfolios, more than $38 billion in revenues, and $2.4 trillion worth of life insurance protection in force, Northwestern Mutual delivers financial security to more than five million people with life, disability income and long-term care insurance, annuities, and brokerage and advisory services. Northwestern Mutual ranked 109 on the 2025 *FORTUNE* 500 and was recognized by *FORTUNE®* as one of the "World's Most Admired" life insurance companies in 2025.

i Includes investments and separate account assets of Northwestern Mutual as well as retail investment client assets held or managed by Northwestern Mutual.

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) (investment brokerage services), broker-dealer, registered investment adviser, member FINRA and SIPC; the Northwestern Mutual Wealth Management Company® (NMWMC) (investment advisory and services), federal savings bank; and Northwestern Long Term Care Insurance Company (NLTC) (long-term care insurance). **Not all Northwestern Mutual representatives are advisors. Only those representatives with "Advisor" in their title or who otherwise disclose their status as an advisor of NMWMC are credentialed as NMWMC representatives to provide investment advisory services.**

[1] Northwestern Mutual continues to have the highest available financial strength ratings awarded to any U.S. life insurer by all four of the major rating agencies: A.M. Best Company, A++ (highest), 11/25; Fitch Ratings, AAA (highest), 8/25; Moody's Ratings, Aa1 (second highest), 6/25; S&P Global Ratings, AA+ (second highest), 10/25. Third-party ratings are subject to change. Ratings are for The Northwestern Mutual Life Insurance Company and Northwestern Long Term Care Insurance Company.

[2] Decisions with respect to the determination and allocation of divisible surplus are left to the discretion and sound business judgment of the company's Board of Trustees. There is no guaranteed specific method or formula for the determination or allocation of divisible surplus. Accordingly, the company's approach is subject to change. Neither the existence nor the amount of a dividend is guaranteed on any policy in any given policy year.

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