

2021 Sustainability Report

THE POWER OF DOING THE RIGHT THING





A Message from John Schlifske of Northwestern Mutual

Our commitment to clients, and to the communities we serve, has always been a hallmark of Northwestern Mutual. For more than 160 years, we've worked to help make their futures—clients and communities—more secure.

This Sustainability Report offers a look at how we carry these commitments forward. Here, you'll learn more about:

Our commitment to clients

You'll learn about the four foundational pillars upon which we've built our commitment to do the right thing for clients. And see how our financial strength sets us apart. Our strength underpins the financial security we provide for clients so that they can achieve their goals and, ultimately, helps our society. We believe strong families and businesses are the foundation of strong communities.

Our commitment to social impact

You'll see how we've engaged our company, employees, and financial professionals in waging a battle against childhood cancer. We continue

to invest in important research. We also provide significant support for kids with cancer and their families—during and after treatment.

We're working to support disadvantaged Milwaukee neighborhoods "block by block" by partnering with organizations to drive revitalization. And invest in improved education for Milwaukee youth from early childhood through post-secondary completion.

We're also fighting racism, discrimination, and prejudice in all forms through sustained action—and a part of our response includes initiatives designed to close the racial wealth gap. Among these initiatives is our Impact Investing Fund, which directs investments to Black and African-American communities throughout the nation and locally in Milwaukee. We have another fund, part of our Future Ventures, working directly with start-up companies founded by Black entrepreneurs.

Our commitment to corporate governance

You'll discover how, for our company, mutuality is more than a legal structure. We see mutuality as a foundational value that

grounds how we do business—treating all policyowners equitably for the benefit of all.

We also value diversity of leadership, which is exemplified by our Board of Trustees. And our corporate governance includes a feature unique among financial services companies: a committee of clients that each year reviews our business and offers ideas on how we can improve.

Our commitment to responsible investing and the environment

You'll find the moves we've taken to reduce our environmental impact in our offices and facilities. The steps we're taking to ensure that our investment portfolio incorporates environmental, social, and governance considerations. And how we're making environmentally sensitive and socially responsible investments.

Our commitment to our people

You'll also discover how we strive to create inclusive and empowered workplaces by providing resources and a respectful environment where people can be themselves—and be their best. We tap into the skills and experience of 50 diversity and inclusion groups, including our award-winning Employee Resource Groups. We have also launched a Women's Initiative that's helping more women join, stay, and grow with Northwestern Mutual. Our efforts toward diversity and inclusion have been recognized in this area. We also actively support our employees' passion to support the causes they care about most.

While we can take pride in what we have done, we know there is much yet to do.

So, here is my pledge: as your company, we are fully committed to driving the results you expect—while we operate our company in a responsible way that ensures we help communities thrive for many generations to come.



John Schlifske
Chairman, President and Chief Executive Officer



Our commitment to clients

Our commitment to clients stands apart in the industry. As a mutual company, we serve our clients with a dedication to doing the right thing for them.

Our commitments span generations, and that's why everything we do is rooted in four foundational pillars: mutuality, unsurpassed financial strength, exclusive distribution, and superior product value.

Mutuality

In essence, being a mutual company means we exist for the benefit of our policyowners. But the principles Northwestern Mutual has developed and exemplified are not mandated by the mutual form of corporate structure. For us, mutuality is more than a name and a legal structure. It is a foundational value that grounds how we do business: for the benefit of our clients. We work for them, not for shareholders on Wall Street.

We live this mutuality in many ways, including how we design and price products, pay dividends, and invest. When we do well, our policyowners do well.

Unsurpassed financial strength

Our financial strength gives us the capacity to deliver on our promises to clients in good times and bad. No U.S. life insurer is stronger than Northwestern Mutual. We continue to maintain the highest financial strength ratings awarded to any U.S. life insurer by all four major rating agencies. In fact, Northwestern Mutual is one of only three companies with triple-A ratings and a stable outlook as rated by Moody's Investors Service. The other two companies are Microsoft and USAA. Because of our strength, we can stay the course, keep our eyes on the long-term, and do the right thing for clients. We can evolve and embrace innovation while maintaining our clear conviction that we will be here for generations of clients to come.



At Northwestern Mutual, we're here to help turn our clients' dreams into plans.

Exclusive distribution

Our exclusive distribution system is a fundamental aspect of our identity and one of Northwestern Mutual's great strengths. Unlike companies that distribute their products through multiple channels, including independent brokers, we are committed to a system in which only Northwestern Mutual financial professionals can sell Northwestern Mutual products. Our financial professionals can offer all clients access to the best products in the industry. These representatives focus on developing lifelong relationships, understanding their clients' individual needs, and putting together plans that help achieve financial goals.

Superior product value

Maximizing long-term product value is at the core of our commitment to doing what's in our clients' best interests. We achieve this in four ways: through careful underwriting, smart investing, client loyalty, and by controlling expenses.

Our view of financial planning

We believe all clients deserve financial planning that helps them live their best lives. Our advisors will create a plan based on client priorities, tailoring it from a wide range of financial options designed to give our clients the flexibility and confidence to achieve their goals now, and years from now.

Trusted advisors, trusted advice

Our 6,500+ advisors and representatives are true partners who accompany their clients in the key moments of their financial journeys. These financial professionals are dedicated to helping people make the right financial choices to pursue their dreams and adjust their plans as life changes.

The Northwestern Mutual difference

| No. 1

We're the largest direct provider of individual life insurance in the U.S.¹

| No. 1

Best Life Insurance Company ranked by NerdWallet in 2020²

| AAA, Aaa, AA+

The highest financial strength ratings of any life insurer from all four major rating agencies³

| Top 10

We're one of the Top U.S. Independent Investment Broker-Dealers⁴

¹ Latest U.S. rank as of 2020 based on direct premiums written. Source: S&P Global Market Intelligence. Prepared and calculated by Northwestern Mutual.

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³ 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: A.M. Best Company, A++ (highest), May 2021; Fitch Ratings, AAA (highest), July 2021; Moody's Investors Service, Aaa (highest), May 2021; S&P Global Ratings, AA+ (second highest), July 2021. Third-party ratings are subject to change. Ratings are for The Northwestern Mutual Life Insurance Company and Northwestern Long Term Care Insurance Company.

⁴ Ranking for Northwestern Mutual Investment Services, LLC. Sources: Financial Advisor magazine and InvestmentNews, April 2021.

Our commitment to social impact

The success of our company, communities, and country depends on all people reaching their full potential. We work hard to make a lasting impact in the communities we serve throughout the country, with a special focus on ensuring that our hometown of Milwaukee is an inviting and exciting place to live, work, and play.



We're committed to helping our communities be better places to live.

Our response to COVID-19

We understand what it means to be there for the clients and communities that rely on us. Throughout the [COVID-19](#) pandemic, we've helped national and local partners deliver essential services and relief for those impacted most by the virus.

Northwestern Mutual collaborates with the city of Milwaukee to bring COVID-19 vaccinations to historically underserved neighborhoods

By March 2021, less than 11% of the more than 270,000 administered COVID-19 vaccination doses in Milwaukee County had gone to Black residents, who make up nearly 27% of the population.

As part of its mission to address racial disparities in its hometown, Northwestern Mutual through its Foundation partnered with the City of Milwaukee Health Department to launch [mobile vaccination sites](#) in the historically underserved Amani and Metcalfe Park neighborhoods.

To assure equitable distribution of the vaccine among Milwaukee's Black residents, the company funded the opening of temporary clinic sites, in addition to supporting local organizations, community leaders, and residents in their efforts to educate, encourage, and register residents for the vaccine. The Northwestern Mutual-funded clinics made about 7,000 total doses of approved vaccines available in these high-priority areas.

Information on registering for vaccinations was communicated through organizations leading resident engagement, specifically [Dominican Center](#) and [Metcalfe Park Community Bridges](#).

Through its Foundation, Northwestern Mutual has consistently provided funding and support to create sustainable change in underserved Milwaukee neighborhoods, in part through revitalization plans focused on health and wellness.

Throughout 2020 and 2021, the company supported partner organizations and communities nationwide to provide immediate



relief in response to COVID-19. This included essential services, critical supplies, and personal protective equipment. To help neighborhood partners meet essential supply needs during the pandemic, the company provided \$45,000 to the Dominican Center, Metcalfe Park Community Bridges, and Milwaukee Christian Center.

"The Metcalfe Park and Amani communities have continuously experienced systemic inequities in access to healthcare, facing challenges that have only been heightened by the pandemic," said Danell Cross, Executive Director, Metcalfe Park Community Bridges. "Prior to the creation of these sites, there were very few accessible options for our residents to receive the vaccine, or even find information about their options. We're thankful for the collaboration of this group for connecting our residents with access to critical medical care during a time it is needed most."

Northwestern Mutual Foundation: Driving social impact

The mission of the Northwestern Mutual Foundation is to improve the lives of children and families in need. Since 1992, we've given more than \$400 million to causes and initiatives that create lasting impacts in the communities where our employees and financial professionals live and work. But financial support is only part of the equation. We also work with community partners to deliver the best outcomes in areas of great need.

Our Foundation has four primary focus areas. In Milwaukee, our hometown, we are focused on advancing education, neighborhoods, and making the city a great destination. Nationally, we focus on childhood cancer.

We believe in a future without childhood cancer

Since 2012, we've been committed to accelerating the search for better treatments and cures for childhood cancer while also supporting families undergoing treatment and survivors struggling with late-term effects.

Research funding

We've funded more than 455,000 hours of research through our exclusive national partnership with Alex's Lemonade Stand Foundation. We're proud to say there are kids who are cancer-free today thanks to research we've funded.



Partnering with Alex's Lemonade Stand Foundation

Alex's Lemonade Stand Foundation (ALSF) emerged from the front yard lemonade stand of four-year-old Alexandra "Alex" Scott in 2005. Alex was fighting cancer and sought to raise money to find cures for all children with cancer. Her spirit and determination inspired others to support her cause. When Alex tragically passed away in 2009, she had raised \$1 million.

Since then, ALSF has evolved into a national fundraising movement, and we are proud to partner with this organization.

Since 2012, we've worked with ALSF to accelerate the search for a cure while also providing support both to families facing the disease and survivors struggling with the effects of treatment.

Our commitment to the cause is borne out in the results we've achieved over the past nine years, thanks to the dedication and hard work of our employees and field force of financial professionals across the country.

9 Years of Partnership, 9 Years of Impact

\$38 MILLION+

GIVEN TO THE CAUSE

9
years of
partnership
EST. 2012

\$20M+
Network Offices
supporting ALSF

300+
research grants
supported

455,000+
hours of research funded

9 Young Investigator
Summits supported



Supporting our childhood cancer efforts

We will continue our work until there is a cure. Through our partnership with Alex's Lemonade Stand Foundation, we fund researchers early in their careers, as well as other promising research projects, such as:

Childhood Cancer Data Lab (CCDL), the first lab of its kind dedicated to accelerating the pace of research by making data and analysis widely available, easy to mine, and broadly reusable.

Phase I/II Infrastructure Grants to fund those who accelerate the clinical trial enrollment process for children with cancer.

'A' Award Grants to support early independent career scientists who want to establish a career in pediatric oncology research.

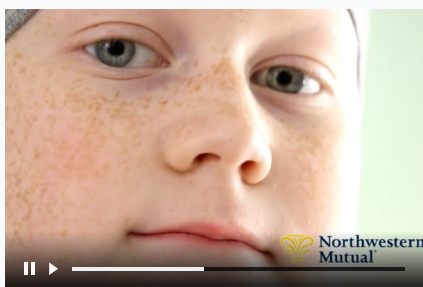
Bio-Therapeutics Impact Grants to accelerate the development of clinical trials for promising biologic approaches to treating childhood cancer.

Epidemiology Grants to support the research of investigators who have a specific focus on cancer's epidemiology, early detection, and prevention.

Find out more about the work of our Foundation.

[Learn More](#)

All children deserve to live life to the fullest.



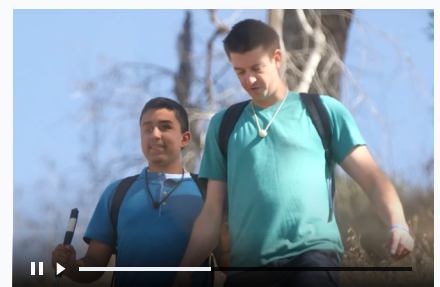
NM Supports the Search for the Cure

[Watch the video](#)



MACC Fund Center at Children's Hospital of Wisconsin

[Watch the video](#)



Northwestern Mutual's 2018 Rose Parade Float

[Watch the video](#)

Supporting with scholarships

We understand the financial impact of cancer treatment on families. Our [scholarship program](#) gives kids affected by childhood cancer the opportunity to pursue their dreams of higher education. We offer two Northwestern Mutual scholarships annually: one for childhood cancer survivors and one for siblings of those affected by childhood cancer. Specifically, we fund students from underrepresented populations to encourage their participation in the childhood cancer field.

Supporting survivors

Our support for kids with cancer doesn't end when treatment ends. That's why we fund research to help improve outcomes for kids, as well as sponsoring symposiums focused on survivorship research and recognition of leaders in the field.

Camp: memories that last a lifetime

Camp is a meaningful and fun experience for kids affected by cancer. It gives them an opportunity to make new friends, share experiences, create unforgettable memories, and "just be kids."

[Watch the video](#)



Supporting families



Alex's Lemonade Stand Foundation's mission is to change the lives of children with cancer through funding impactful research, raising awareness, supporting families, and empowering everyone to help cure childhood cancer.



FLASHES of HOPE

We honor the courage of children with cancer, capture those smiles and forever preserve images of courage, beauty, and dignity.



Beads of Courage provides an arts-in-medicine program that helps kids with cancer and other serious illnesses tell their unique treatment story through colorful beads.



LOLLIPOP brings the joy of going to the movies to children and their families in the hospital, bringing joy, magic, and momentary escape to those who need it most.



COCA-I is strengthening the international community of camps for children with cancer and their families through networking, education, and advocacy. COCA-I member camps proudly serve the needs of over 35,500 campers.



Special Spaces gives a custom bedroom redesign to children with cancer, offering a special space where they can not only sleep, but also play, heal, and spend time away from the challenges of their illness.



Ronald McDonald House keeps families together by providing a place for families to call home so they can stay close by their hospitalized child at little to no cost.



Hopecam virtually connects kids with classmates—all at no cost to the families or schools! These devices also allow families to connect to virtual appointments.



The Team Connor Childhood Cancer Foundation mission is to raise funds for national childhood cancer research programs, to build awareness that less than 4% of the NIH's annual funding supports childhood cancer research, and to support inpatient programs.



Strengthening our community: A vibrant and diverse Milwaukee

It's a great time to live and work in Milwaukee. That's why we're committed to improving education, revitalizing neighborhoods, and supporting prominent local destinations.

Supporting neighborhoods in need

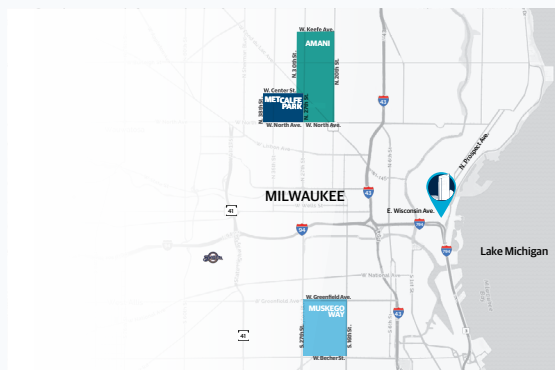
We partner with residents to help revitalize neighborhoods and reverse the root causes of racial and economic disparities in our communities.

Our neighborhood investment model

Together with our valued partners, we are enhancing three communities with programs dedicated to safe neighborhoods, healthy and

thriving youth, strong families, and quality education. Each has developed a revitalization plan to guide their actions to sustainable change.

Northwestern Mutual's [Block by Block strategy](#) focuses on enhancing the Amani, Metcalfe Park, and Muskego Way communities. The company works closely with residents and community leaders in each neighborhood to achieve concentrated positive outcomes. These programs and projects offer residents access to valuable tools and skills to help them reach their shared goals.



Revitalizing Our Neighborhoods

Since 2013, we have worked to revitalize three Milwaukee neighborhoods. Each are communities far too familiar with racial and economic injustices. Our goal has been, and continues to be, building capacity in residents, leaders, and organizations so they can realize their community vision. We believe a long-term, resident-led approach is critical to reversing the root causes of these challenges.

Amani neighborhood

The Dominican Center partners with residents in the areas of adult education, housing, and building neighborhood capacity. The organization is supported by Amani United, a network of residents, community stakeholders, and partners.

Metcalf Park

Metcalf Park Community Bridges gives a voice to resident concerns, goals, and dreams for the future of this neighborhood to ensure the work it accomplishes is guided by the community and engages residents in implementing these efforts.

Muskego Way

Muskego Way Forward connects neighbors, partners, and resources to strengthen the neighborhood through opportunity creation and leadership.

2021 Northwestern Mutual Grant Recipients

<p>Dominican Center</p> <p>Metcalf Park Community Bridges</p> <p>Milwaukee Christian Center</p>	<p>Housing Development</p> <ul style="list-style-type: none"> • ACTS Housing • Community Warehouse • Data You Can Use • Ezekiel CDC • Milwaukee Habitat for Humanity • Riverworks Development Corporation 	<p>Community Resources</p> <ul style="list-style-type: none"> • COA Youth & Family Centers • Ex Fabula • Feeding America • Harry & Rose Samson Family Jewish Community Center • Legal Aid Society of Milwaukee • Local Initiatives Support Corporation • Safe & Sound • Sixteenth Street Community Health Center • Sojourner Foundation • The Parenting Network • YMCA of Metropolitan Milwaukee 	<p>Youth & Children</p> <ul style="list-style-type: none"> • Boys & Girls Clubs of Greater Milwaukee • PEARLS for Teen Girls • Running Rebels Community Organization • We Grow Greens
	<p>Arts & Culture</p> <ul style="list-style-type: none"> • Artists Working in Education • Imagine MKE • Milwaukee Repertory Theater 	<p>Education & Career</p> <ul style="list-style-type: none"> • Journey House • Milwaukee Community Business Collaborative • Wisconsin Black Historical Society 	

Northwestern Mutual Foundation Contributes \$1.9 Million Toward Neighborhood Revitalization

Milwaukee residents are taking action to build stronger, healthier, and safer communities by raising awareness of available health resources, improving housing conditions, and providing youth with educational programming.

In 2021, we're offering \$1.9 million in grants to identify specific areas of need, and we're partnering with 33 organizations dedicated to fostering safe neighborhoods, healthy youth, and quality education.

To be eligible for funding, all grant recipients are required to demonstrate measurable impact and program outcomes.

Partner spotlight: Ezekiel Community Development Corporation

One of this year's grant recipients is [Ezekiel Community Development Corporation \(CDC\)](#), an organization dedicated to improving housing conditions in Milwaukee's inner city by rehabilitating homes in collaboration with local businesses and community organizations. As part of the restoration process, Ezekiel CDC provides residents with on-site job training and helps foster home ownership.

Of the 2,500 housing units in the Amani neighborhood, nearly two-thirds were built before 1939. Older homes often require extensive maintenance, cost more to heat, and are more likely to contain lead-based paint, which can cause serious health issues.

Earlier this year, Ezekiel CDC received an additional grant on behalf of Northwestern Mutual through the Federal Home Loan Bank of Chicago's Targeted Impact Fund program. It will use the grant funds to continue revitalization efforts through the Amani Housing Strategy, launched in 2019.



Education: All kids deserve access to quality learning

Education lays the groundwork for a strong community, and supporting education for Milwaukee's youth is one of our top priorities. We focus on three key areas: early childhood education, our K-12 pipeline partners, and post-secondary completion.

Education starts early

Quality education provides students the foundation to become future leaders. Research shows the long-term impact of building a strong educational foundation during preschool years. Our investment in high-quality early education focuses on expanding options for Milwaukee's children. When combined with family support, early education closes the achievement gap and ensures students show up to school ready to learn and succeed.

| \$50M

In the past 25 years, we've invested more than \$50 million in Milwaukee-area schools.



Utilizing collective impact to increase the number of high-quality early childhood education centers.



Early childhood education support for preschoolers in the Metcalfe Park neighborhood.



Early childhood education support for preschoolers in the Amani neighborhood.



Early childhood education support for preschoolers in the Muskego Way neighborhood.



Providing in-home, trauma-informed care to children six and under.

| Nearly 1,000

Milwaukee students are mentored by
Northwestern Mutual employees

| 25+

leaders & employees are currently serving
on boards of our education partners

Building brighter futures with K-12 Pipeline Partners

By increasing the number of high-quality schools in the city of Milwaukee, we're doing our part to close the achievement gap and ensure all children can make the successful transition to adult life after high school and contribute to the city's growth. We're building on education investments of more than \$50 million over the past 25 years to target partner schools in all three sectors of public, charter, and choice that act as educational pipelines. Our partner schools serve a high percentage of poor students. We also partner with groups providing English as a Second Language and teacher pipeline support to our K-12 pipeline schools, empowering students to thrive in a climate conducive to success.

We invest in both large-scale initiatives focused on driving systematic, long-term impact, and smaller, scalable programs that benefit students and educators alike to make a difference and forge a brighter future for tomorrow's leaders.

Post-Secondary completion: We're "All-In Milwaukee"

It's no secret that social, economic, and racial disparities play a role in restricting access for talented yet underrepresented students as they work to achieve their full educational and career potential.

Continuing our objective to advance educational opportunities for students of all ages, we've teamed up with All-In Milwaukee to fund our Talent of the Future program. With a \$1.6 million commitment over the next four years, Talent of the Future will provide 80 scholarships to a diverse group of first-generation college students, along with internships and future full-employment opportunities at Northwestern Mutual.

All-In Milwaukee's college completion and career placement program is the first to mirror Wallin Education Partners, a program that boasts a 92% college graduation rate among its scholars. In All-In's first year, 90% of all participating students met its 2.5 GPA requirement.

Our K-12 Pipeline Partners



Summer school program prepares future teachers and combats summer learning loss in students.



Scholar management program provides holistic support to students from as early as third grade through college completion.



College prep and access programming via Sponsor-a-Scholar



Facilitating leadership programs to increase the number of high-performing schools.



Support for the teacher pipeline in multiple partner schools.



Proud sponsors of the Clarke Street School City Year corps members.



Building elementary school literacy skills through arts infused projects.



Prominent destinations

We want Milwaukee to flourish, because we know it is a great place to live and visit. Our support of culture-based non-profit organizations helps strengthen the fiber of our city.



Northwestern Mutual Neighborhood Nights provides free access to the museum on the third Thursday of each month.



Proud sponsor of the educational and popular Crossroads of Civilization exhibit.



Proud to support the Northwestern Mutual Family Farm and Adventure Africa.



Providing additional STEM programming and access to students from the Amani, Metcalfe Park, and Muskego Way neighborhoods.



The "Opening Our Doors" sponsorship includes family nights geared toward residents of Amani, Metcalfe Park, and Muskego Way.



Make a Child Smile Day promotion collects books for children at Next Door.

Strong commitment to our hometown

Thanks to the generosity of our employees, we're among the largest corporate donors to the United Way of Greater Milwaukee and the United Performing Arts Fund.



Promoting unity: Taking action toward racial equality

In today's world, many factors contribute to division and distrust. We believe it's our responsibility as a company and employees to stand up against the things that threaten to divide us.

Championing racial equity

Sustained Action for Racial Equity (SARE)

Social injustice inspired Chairman, President and CEO John Schlifske to create the Sustained Action for Racial Equity (SARE) Task Force in June 2020. Mr. Schlifske serves as Chair of the task force, which activated a diverse group of more than 80 leaders across our corporate headquarters and field force to take a holistic approach to drive actions with the greatest sustainable change in the company and community. SARE is driving change toward four pillars of action with short-, mid-, and long-term approaches. The four outcomes are Creating a Culture of Belonging, Elevating World Class Talent, Building Financial Inclusion and Black/African-American Prosperity, and Ensuring Marketplace Impact and Relevance.

Efforts SARE has driven to date:

- Looking at racism and inequity from multiple perspectives to foster inclusion and a culture of respect, recruit diverse talent, and create community partnerships to drive empowerment.
- Launching the first-ever, award-winning, all-employee Diversity & Inclusion education via Culture of Respect learning.

- Launching a \$100-million Impact Investing fund to help close the racial wealth gap. Investments will be directed to Black and African-American communities both nationally and locally.
- Supporting/investing in Black and African-American entrepreneurs through our Northwestern Mutual Black Founder Accelerator, a partnership with and powered by gener8tor.
- Allocating \$20 million of our Northwestern Mutual Future Ventures funding to investments in Black and African-American-founded start-ups focused on technology solutions in fintech, the client experience, digital health, and data and analytics.
- Creating opportunities for field leaders to better understand the experiences of Black and African-American colleagues and a program they can carry forward, further localizing impact.
- Including a D&I goal within the list of goals required for home office people leaders; and supporting them through direct interactions, ongoing webinars, and other resources.
- Elevating a D&I Champion Award that supports and recognizes field offices advancing racial and gender equity.
- Launching a roundtable series with our senior leadership team and diverse cohorts to build visibility, create meaningful connections and drive career growth. We began with our Black and African-American men.

Read more about Our Commitment to Inclusivity and Addressing Racism

[Learn More](#)

See how we're investing in ESG, including racial equity [Find out more](#)

The Northwestern Mutual difference

\$20M

Allocated \$20 million of Northwestern Mutual Future Ventures funds to start-ups with Black or African-American founders. Since November 2020, we've made investments with three Black founders and are engaged in active discussions with many other companies.

\$100K

Our Northwestern Mutual Black Founder Accelerator program has invested in start-ups in partnership with gener8tor, to provide each Black founder \$100,000 to apply toward their business model—along with mentoring from key leaders of Northwestern Mutual.

\$100M

Supporting Black and African-American financial inclusion and economic prosperity with a \$100 million Impact Investing Fund.

Our employees and financial professionals give back

We enthusiastically support our employees' direct involvement in the causes closest to their hearts:

- Two days paid volunteer time
- Matching Gifts program, a dollar-for-dollar match for charitable gifts made by our people to accredited schools
- Northwestern Mutual Volunteer Program, which supports employee-led mentoring, blood drives, charity initiatives and events, and philanthropic collections
- Through our Community Service Awards Program, Northwestern Mutual has awarded \$6.3 million since 1995 to nonprofits supported by our financial professionals in their communities throughout the country.

[Learn More](#)



| 33K+

Combined volunteer hours
contributed, 2018

| 2.1K+

Employees involved in giving back
to our community, 2018



Our commitment to corporate governance

Since 1857, we've been doing what's right for our clients, our people, and our company. And doing what's right means an unwavering commitment to ethics, honesty, and compliance.

We are committed to mutual values that both define who we are and serve as guideposts to help us maintain high ethical standards. With governance, accountability, and oversight structures in place, we can live up to our promise to do the right thing for clients and help them make the right financial choices for their lives and goals.

Our Guidelines for Business Conduct

Northwestern Mutual is and always has been in the business of trust. Everyone from Board members to managers and employees are expected to learn and follow our Guidelines for Business Conduct. This code of ethics addresses proper use of company funds, conflicts of interest, fair dealing in company operations (including a policy against the use of inside and non-public information), reporting requirements and accountability for non-compliance, and disclosure procedures.

These guidelines are reviewed and updated as necessary, with changes approved by the Board of Trustees. The guidelines are provided to all new employees and can be found on the company's intranet. Trustees receive this document upon joining the Board and have access to an online version as well.

All employees and trustees are asked to review and affirm the Guidelines as part of the Annual Statement on Confidentiality and Other Company Policies, or through the annual disclosure questionnaire process.

In addition, all employees take an online course entitled "Northwestern Mutual's Code of Conduct." This e-learning session reinforces our mutual values and covers topics such as gifts and entertainment, privacy, diversity and inclusion, harassment and discrimination, conflicts of interest, insider trading, fair dealing, and the company's Ethics Resource Center, a confidential internal resource established to discuss questions or concerns, report possible misconduct, or file a complaint regarding ethical, legal, or accounting issues arising at Northwestern Mutual.

The Center is available to employees, vendors, and contract personnel. In addition, the Guidelines state that employees will not be dismissed or otherwise retaliated against for reporting, in good faith, any unethical, illegal, or improper conduct.

Everyone has a voice and a responsibility

Northwestern Mutual employees have a responsibility to promptly report conduct that is unethical, improper, illegal, or otherwise in violation of any provision contained within the Guidelines. Individuals can make reports to a member of the leadership team responsible for their department, the general counsel, or the company's Ethics Resource Center.

A diversity of leadership

The Northwestern Mutual Board of Trustees, elected by our policyowners, carries the responsibility and ultimate authority for all company matters. The Board elects the Chief Executive Officer and other senior officers responsible for managing the company and also defines and oversees management's actions in running the company.

Northwestern Mutual values diversity and inclusion and sees it as a business advantage. Our Corporate Governance Guidelines expressly state that, "Diversity of thought, as well as of gender, ethnic background, and geographic origin are important considerations in assessing the overall makeup of the Board." We live that directive as one of our core values, and it shows in the diversity of our leadership. The current Board includes residents of 10 states, representing all regions of the U.S., four members who identify as African-American, two as Hispanic/Latino, and one as Asian-American.

Meet our leaders

The Board of Trustees has elected John E. Schlifske as its Chairman. Mr. Schlifske also serves as President and Chief Executive Officer of the company. The Board believes that the company's Chief Executive Officer is best situated to chair the Board. Combining these roles facilitates the flow of information between management and the Board, allows for better identification of the company's strategic priorities, and facilitates discussion and execution of strategy, all essential factors in effective governance. (See [here](#) for information about the company's senior leaders and members of the Board of Trustees.)

Apart from the Chairman, President and Chief Executive Officer, all Trustees are independent members who are not part of company management. The Board elects a lead non-management Trustee who helps set the Board's agenda. The lead non-management Trustee presides at closed sessions of the Board at which only non-management Trustees are present and serves as a liaison to whom other non-management Trustees may raise issues and suggest topics of interest to the Board. The lead non-management Trustee meets regularly with the Chairman to discuss these topics. Currently, Benjamin F. Wilson serves in this role.

Each standing Board committee also has a chair, who is chosen by the full Board of Trustees. The Chairman of the Board chairs the Executive Committee and the Finance Committee, while independent Trustees currently chair the other Board committees.

We include our clients in corporate governance

Our corporate governance includes a feature unique among U.S. insurers. Each year, our Board of Trustees appoints the Policyowners' Examining Committee (POEC). This committee consists of not more than six nor less than three individuals who are either current policy or deferred annuity holders or named insureds under one or more insurance policies issued by the company or a subsidiary. Committee members may not be trustees, agents, officers, or other employees of the company or a subsidiary.

The POEC generally meets in person twice a year in the company's Milwaukee headquarters. During their meetings, POEC members are invited to look at all aspects of Northwestern Mutual's operations, management, and strategic plan through an unrestricted and independent lens. They are asked to evaluate the company's efforts to meet the long-term needs of policyowners and make suggestions for improvement.

During their visits, the POEC meets extensively with members of senior management and other leaders. The results of their review are published each year in the Northwestern Mutual [Annual Report](#). In addition, the committee's report is shared with the Board of Trustees, and the committee chair meets with the Board to present committee findings and recommendations as well as to answer questions.





We link compensation to client value

As a mutual company, Northwestern Mutual operates in the best long-term interests of our policyowners, with a focus on steady and sustained growth in client value. Our executive compensation programs are designed to attract, reward, and retain key executives and to align executive compensation with the interests of our clients.

These programs are important contributions to the company's efforts to attract and retain high-caliber executives, pay them for top corporate performance, provide rewards for enhancing long-term growth, and align their interests with the interests of our policyowners.



[Read more about our Corporate Governance](#)

[Find out more](#)

Safeguarding your assets, privacy, and data: What we do for you

We are vigilant about protecting information on all levels, and we use a multi-layered approach that includes cybersecurity, administrative, and physical controls to maintain that protection. Learn more about how we protect the information entrusted to us both with our privacy pledges and data safeguards.

[Our privacy pledges](#)

[Our data safeguards](#)



Our commitment to responsible investing and the environment

We recognize our strong connection to the environment in which we work, live, and play. We're dedicated to doing our part to help protect our planet for generations to come.

Reducing our environmental impact is both good for business and the right thing to do. Across our company, we're taking actions to operate our offices and facilities in the most energy-efficient ways, reduce onsite waste, and invest responsibly. We're also taking steps to ensure our investment portfolio incorporates climate risk and, when consistent with our commitment to policyowner returns, advances important social goals.

Our campuses are green

We currently have more than 3.5 million square feet of office space across three campuses. Each follows accepted benchmarks for green building design and construction that includes extensive use of recycled building materials, reduced water consumption, and improved energy efficiency.

Ramping up the ways we recycle

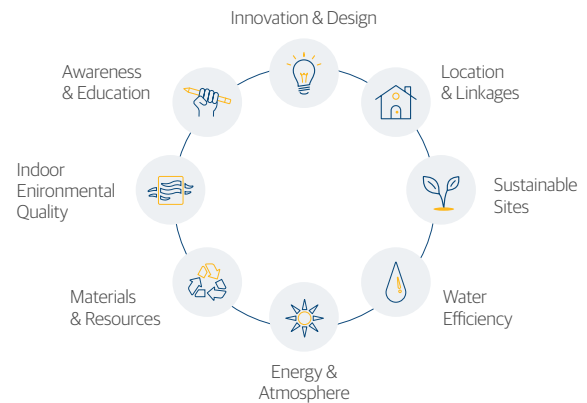
We continually decrease the waste going to landfills. By doing this, we can increase the efficiency of waste hauling, which reduces fuel consumption and CO2 emissions. Currently, we recycle:

- Batteries
- Steel
- Cardboard
- Pens
- Paper
- Eyeglasses
- Glass
- Monitors
- Plastic
- Computers
- Aluminum
- Light bulbs

We're LEED Certified

Leadership in Energy and Environmental Design (LEED) is a global green building rating system. Available for virtually all building types, it provides a framework for healthy, highly efficient, and cost-saving facilities. When buildings are LEED certified, they have been recognized for their high levels of sustainability and environmental leadership. LEED certification can be given to both new construction and existing buildings and covers a number of design areas.

LEED: Leadership in Energy and Environmental Design



We're proud to maintain LEED certifications for our Milwaukee and Franklin (WI) campuses.

Milwaukee Tower & Commons: LEED Gold

Completed in 2017, our 32-story, 1.1 million-square-foot Tower and Commons was designed and constructed to be an example of sustainability and conservation. The building supports employees working in ways they work best. At the same time, the building promotes interaction, collaboration, innovation, safety, and social well-being.

Building highlights:

- Reduced water consumption through touchless “low-flow” water faucet and toilet fixtures and by recycling all mechanical water used to cool the building
- Building envelope, lighting, and HVAC designed to enhance energy efficiency and minimize cost for the entire building
- Improved indoor air quality contributes to the comfort and well-being of employees and visitors that exceeds the American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE) standards for commercial buildings by 24 percent
- At least 10 percent of all building materials contained post-consumer or post-industrial recycled content to reduce impact of extraction or processing of virgin materials
- 50+ percent of all wood-based products harvested according to Forest Stewardship Council (FSC) principles and criteria for base building wood components



A green roof and a Great Lake

A 34,000 square-foot “green roof” occupies the Commons roof of our headquarters in Milwaukee. The roof is topped with soil and lush plants that are drought-resistant and retain water for long periods of time.

Estimates are that this roof will divert more than 500,000 gallons of stormwater runoff annually that would otherwise end up in storm sewers and eventually in Lake Michigan.

In addition, this green space will extend the life of the Commons roof, provide insulation, and reduce the amount of energy needed to heat and cool the building. An example of our commitment to doing the right thing, this important ecological installation also provides educational opportunities for employees and the community and reinforces our commitment to sustainability.



Supporting local businesses; sustaining our local economy

When we planned construction of the Tower and Commons, we pledged that 25 percent of the total value of contracts awarded would go to Milwaukee Small Business Enterprises (SBEs). Further, we pledged that at least 40 percent of the project's labor hours would be worked by Milwaukee residents eligible under the Residents Preference Program (RPP). We're proud to say we exceeded those goals:

- \$127.1 million in contracts (31.4 percent of total) were awarded to City of Milwaukee SBEs, exceeding our 25 percent goal
- Milwaukee residents eligible under RPP worked 43.5 percent of construction hours, exceeding our 40 percent goal

- Nearly 800 City of Milwaukee residents were hired through RPP
- RPP-certified Milwaukee residents worked 795,882 construction hours
- Outreach to more than 100 community-based organizations ensured project participation from diverse segments of the Milwaukee community
- More than 600 individuals connected to career pathways training and preparation programs through our partnership with Wisconsin Regional Training Partnership (WRTP)/BIG STEP
- More than 130 of the workers hired through RPP received job training in WRTP/BIG STEP's targeted workforce training program



Van Buren building: LEED Gold

This 175,000 square-foot building is connected to the Tower and Commons via a skywalk. A building-wide renovation included high-efficiency insulation, energy-efficient cooling and heating systems, and building processes and procedures. The building was certified as LEED Gold for Existing Building and Maintenance in 2017.



Franklin campus: LEED Silver

Completed and certified LEED Silver for new construction in 2004, this 500,000 square-foot building south of Milwaukee was recertified Silver for existing building operations and maintenance in 2015.



New York City campus

In 2021, we relocated our New York campus to a modern, 91,000 square-foot space occupying three floors in Brookfield Place in lower Manhattan. Home to our New York team of technology, marketing, and client experience professionals, the New York campus is an important site both for its location in the financial center of the U.S. and as a key recruiting hub.

Our commitment to sustainability is reflected throughout the office and bolstered by innovation, including smart building control systems and carbon-negative flooring. We are the first large office project to install carbon-negative carpet tiles, making Northwestern Mutual a pioneer in sustainable office interiors.



808 West, San Jose, California, CALGreen, owner: Northwestern Mutual



Two Constitution Square, Washington D.C., LEED Platinum, owner: Northwestern Mutual

ESG investing: Integrating risk and opportunity

Responsible investing has always been important to us at Northwestern Mutual. It aligns with our core value of mutuality, and we believe it is the right thing to do. We recognize the significant value that supporting positive Environmental, Social, and Governance (ESG) progress has for our policyowners.

We believe ESG investments are investments that incorporate relevant environmental, social, and governance factors while optimizing long-term returns. ESG-focused investments in our general account are found in all investment areas—our public, private, real estate, and Impact Investing portfolios. This breadth of asset classes allows us to provide value to our policyowners while achieving superior and socially-responsible returns.

ESG investments in our general account focus on three core areas:

- **Green investments** in assets supportive of or sensitive to the environment
- **Socio-economically oriented investments** that aim to achieve societal goals such as providing affordable housing, promoting access to healthcare, supporting economic development of underdeveloped areas through education and social infrastructure projects, and supporting women or minority-owned businesses.
- Investments through our **Impact Investing fund** that generate social benefits, such as deploying capital to underserved Black and African-American communities and businesses, which seek to provide or improve access to capital, physical or social infrastructure, or support enhancements to underserved neighborhoods.

Here's how we're making a difference through responsible investing:
Nearly \$20B in environmentally sensitive and socially responsible investments, including \$3B in housing support for people with low incomes.

We trace our commitment to formally investing in ESG-friendly assets back to 2003, a time when ESG was not as prominent as today. We made a formal commitment to invest a portion of our portfolio in socially-responsible investments, and we've continued to expand that commitment.

Today, we are proud to hold nearly \$20 billion in socio-economically oriented investments, impact investments, or green investments. We have more than 5 percent of our portfolio in these investments, and we are committed to investing at least 5 percent in these categories going forward.

We believe material ESG factors impact investment performance. We believe that proactively integrating ESG-related considerations into our investment process enhances our ability to deliver significant long-term value for our policyowners while effectively managing risk in our general account. We continue to expand the range of ESG factors as appropriate in the general account with the aim of identifying future investment risk and opportunities that affect our invested assets.

Unless otherwise noted, all amounts are as of 6/30/21.

Sustainable Real Estate

We are one of the largest real estate investors in the nation, with investments in commercial mortgages and equity investments across all property types, including apartments, office, retail, and industrial. We believe sustainable buildings are key to the future health of the real estate market and aim to identify and invest in environmentally friendly opportunities. Currently, approximately \$6 billion of our commercial mortgage loan portfolio and approximately \$7 billion of our real estate equity portfolio are certified or pending certification with a nationally recognized sustainability program. Our partnership with industrial developers has allowed us to invest in nearly \$1.5 billion of such investments in the last year, all of which are dedicated to achieving green certification. Investments in properties such as the Southview Commerce Center in Belton, Missouri, which received a Green Globe Certification in 2021, build market distinction for their decreased long-term operational costs. Our real estate portfolio utilizes relevant external projections of climate change scenarios to assess potential physical risks such as rising sea levels and proximity to wildfires.

Affordable Housing

Our general account has nearly \$3 billion in investments that support affordable housing for low- and middle-income families through our investments in mortgages, mortgage-backed securities, and related

funds. One recent example includes investment in a fund supporting development of 19 separate properties across 12 states, which created over 1,500 affordable housing units. Currently, Northwestern Mutual has ownership interests in nearly 2,000 properties that support affordable housing developments. This includes more than \$35 million of investments supporting low-income housing developments in Wisconsin.

Renewable Energy

We also support renewable energy expansion. We leveraged our long-standing relationships with key partners in the private markets to invest in renewable energy projects. These support our ESG initiatives and provide strong policyowner returns.

A recent example is an investment in a renewable-energy portfolio comprised of geographically diverse wind and solar assets that generate low-cost, zero-emission power in local markets under long-term offtake agreements. Wind and solar assets generate power with no associated greenhouse gas emissions, replace traditional sources of fossil fuel generation, and contribute to the reduction of air and water pollution. Reduction of air and water pollution has a positive impact on human health and creates cost savings throughout the healthcare ecosystem. Wind and solar assets also require significantly less water to operate than fossil fuel generation, contributing to water conservation.

Impact Investing fund: Closing the racial wealth gap

As part of our ongoing commitment to advance diversity, equity and inclusion, in 2021 Northwestern Mutual launched a \$100-million Impact Investing fund. This new fund, an outcome of the company's [SARE task force](#), helps deliver on the company's commitment to addressing inequality and the racial wealth gap in the U.S. The Impact Investing fund specifically targets investments to support Black, African-American, and other underserved communities. It focuses on three key opportunities:

- Physical and social infrastructure
- Access to capital for individuals and businesses
- Healthy, sustainable neighborhoods and businesses

Minority-owned businesses face challenges similar to racial disparities seen by Black families, regularly relying on non-traditional financing

sources such as seeking capital from friends and family. In addition, lending discrimination continues to influence Black and minority-owned businesses across the country. Even when Black-owned business are able to access capital, such businesses are typically financed with amounts significantly lower than comparable White-owned businesses. Our investments through the Impact Investing fund seek to identify opportunities that address systemic barriers to capital access and facilitate growth in underserved communities while generating long-term returns for our policyowners.

An example of an Impact Fund investment is our investment in the Siebert Williams Shank's Clear Vision Fund. This Fund seeks to invest primarily in minority-owned businesses in the U.S. with an emphasis on African-American and Latinx-owned businesses that operate in and/or serve the underserved markets. Clear Vision Fund has a unique sourcing advantage through its deep reach into municipalities, enabling the fund to identify companies that require capital to grow. We expect our investments through the Impact Investing fund to grow over time and continue to make positive social and economic impact nationally and in Wisconsin.

Launching Future Ventures and startup accelerator for Black entrepreneurs

As part of its ongoing commitment to foster diversity and inclusion and drive equity through innovation, Northwestern Mutual announced new initiatives in November 2020 to support Black startup founders throughout the nation and locally in its Milwaukee headquarters.

The company's venture capital fund, [Northwestern Mutual Future Ventures](#), is dedicating \$20 million to investments in startup companies founded by Black entrepreneurs. The company also launched the Northwestern Mutual Black Founder Accelerator powered by gener8tor, a nationally ranked startup accelerator.

Black founders in the U. S. today receive [less than one percent](#) of venture capital funding annually. Northwestern Mutual and gener8tor are committed to closing this funding gap by investing in and supporting Black entrepreneurs.

Northwestern Mutual Future Ventures focuses on advancing the company's strategy of engaging startups whose technologies have the potential to transform how people experience financial security. The investment criteria for the \$20 million Black founder funding allocation is aligned with Northwestern Mutual Future Ventures' key strategic areas of focus:

- Building for consumers' changing financial preferences
- Reimagining the client experience
- The digital health revolution
- Transformational analytics and technologies

"We need innovative thinking to drive breakthrough solutions to close the racial equity gap. By supporting Black founders through Northwestern Mutual Future Ventures and the new accelerator program in partnership with gener8tor, we can make a difference to close this funding gap," said Abim Kolawole, Vice President, Integration, Northwestern Mutual. "Our company's Sustained Action for Racial Equity (SARE) task force is looking at racism and inequality from every perspective. These initiatives will drive change and create impact within our company and communities."

The Northwestern Mutual Black Founder Accelerator powered by gener8tor is gener8tor's first accelerator exclusively focused on advancing Black founders. The 12-week accelerator will run up to two cohorts of five companies per year. Startups must be aligned with Northwestern Mutual Future Ventures' investment areas of focus.

For more information on Northwestern Mutual Future Ventures, visit [nmfutureventures.com](#). For more information on the Northwestern Mutual Black Founder Accelerator powered by gener8tor or to apply, visit [northwesternmutual.com/blackfounderaccelerator](#).

Read about one of our Future Venture partners here.

[Read Now](#)

Black Founder Accelerator promotes innovation

The Northwestern Mutual Black Founder Accelerator is powered by gener8tor, a nationally ranked start-up accelerator. During "mentor swarm" sessions, gener8tor employees provide feedback, advice, and action items to help entrepreneurs drive business success. The Accelerator program is in addition to the \$20 million Northwestern Mutual Future Ventures dedicated to investing in startup companies founded by Black entrepreneurs.

We have completed our work with our first cohort of five companies, all listed below. A second cohort will begin soon.

- **Freeman Capital:** A modern investment company that offers easy-to-manage, low-cost, online investment solutions for everyday people
- **HUED:** A platform that diversifies patient/doctor connections by allowing patients to search, review, and book Black and Latino doctors that specifically understand their physical, mental, and cultural needs
- **RiftPay:** A group payment platform that allows users to send, share, and save money together
- **Solo Funds:** A mobile lending exchange that allows people seeking small-dollar loans to borrow from other individuals with financial means
- **Tip a ScRxipt:** Social payment service that allows healthcare providers, pharmaceutical companies, families, and friends to contribute funds to assist vulnerable communities in paying their medication expenses



Reverse Pitch Milwaukee

Ease, Inc. won our third Reverse Pitch MKE event, in which Northwestern Mutual pitches business challenges to entrepreneurs. Ease Inc. connects diverse, qualified candidates with organizations looking to hire. By winning Reverse Pitch MKE, Ease, Inc. received a \$10,000 prize, along with seed investment from Cream City Venture Capital, working space in Cream City Labs, and legal services and access to Northwestern Mutual corporate mentors and networks to help build their technology.



Our commitment to our people: Building an inclusive workplace

In addition to our work with our Sustained Action for Racial Equity (SARE) task force, our Impact Investing fund and more, we also strive to create inclusive and empowering workplaces. To do that, we provide the resources and amenities necessary to help employees feel supported in realizing their full potential. As firm believers in the power of diversity, we are committed to providing a respectful environment where everyone can be themselves—so that they can be their best.

Our employees and advisors participate in sessions that give them tools to advance both their own D&I journeys and those of their teams. These include active allyship, inclusive culture, development and retention of diverse leaders, and action-oriented education. We also have a team dedicated to one-on-one and group coaching for employees in leadership roles on how to attract, develop, advance, and retain talent.

And we don't stop there. We're dedicated to supporting diversity and inclusion in our communities and the businesses and suppliers we partner with.

[Read more](#)



People of Color:

25.6%

Across our home offices, POC represent **25.6% of our total population**, the highest percentage in company history. Hiring and promotions are at an all-time high.

+66%

In the field, diverse advisors have **grown by 66%** since 2015, and we've seen **101% growth** in diverse field leaders over that same time span.

Creating a culture of equity and respect

Culture is the sum of our everyday experiences. Because of that, we work to ensure that everyone at Northwestern Mutual feels respected and valued. Our similarities and differences help us shape respectful, productive relationships, and deliver outstanding service and solutions to our clients.

We will not tolerate racism, prejudice, or discrimination in any form. We are committed to taking meaningful action that makes a lasting impact. Here are some of the ways we're building our culture.

Diversity and Inclusion (D&I) Councils

Almost 50 Diversity and Inclusion groups, drawn from employees and advisors across our company, give input and insight into our recruitment and retention, education, and community engagement. These groups help us encourage authenticity, promote individuality, and expand our impact.

Employee-led involvement

Our award-winning Employee Resource Groups (ERGs) help us create more diverse and inclusive workplaces. They also offer opportunities for professional and personal growth. These voluntary groups are formed through commonalities of ethnicity/race, ability, nationality, generation, military/veteran status, gender identity, and sexual orientation. They include:

- African American
- Asian
- disABILITY Alliance
- Generations
- Hispanic
- Military Veterans
- PRIDE (LGBTQ+)
- Women

Our Women's Initiative: Setting a new standard

For too long, women have been underrepresented in our industry. We know the success of our company and our employees depends on involving more women to reflect the world and culture around us.

Our Women's Initiative is an enterprise-wide effort designed to accelerate the recruitment, retention, and advancement of women—both in our corporate headquarters and our field force of financial professionals. Simply put, we want Northwestern Mutual to be the best place for women to join, stay, and grow. So far, we've made great strides in all three areas.

Women:

48%

Across our home offices, women represent **48% of our total population**. We're hiring more women and improving our retention rates. Promotion rates are **nearly 50/50** women to men.

+60%

In the field, there's been a **60% growth** in women advisors since 2015.



"Actively advancing diversity and inclusion is mission critical for our success as individuals, as a company, and as a country. Northwestern Mutual has an important influence on all three, and that's a responsibility we take very seriously."



Ronald Adams
VP Diversity & Inclusion -
Field



Amy Hanneman
VP Diversity & Inclusion -
Home Office



Our diversity is recognized

We believe diversity also leads to business advantages. Here's what others have to say about us.

Forbes' Best Employers for Diversity
(2018-2021)

Best Place to Work for LGBTQ Equality
(100% score, Human Rights Campaign Corporate Equality Index, 2015 - 2021)

Best Place to Work for Disability Inclusion
(100% score, Disability Equality Index, 2019-2021)

Patriot Award
(Employer Support of the Guard and Reserve, 2017 and 2019)

Military Friendly Award
(Bronze Award, Viqtory 2021)

Top 100 Companies for Diversity
(Diversity Best Practices, 2020)

7 Employee Resource Groups ranked Top 25
(2021, by Assoc. of ERGs & Councils)

Great Place to Work
(Great Places to Work, 2021)

Top 50 Companies for Multicultural Women in Leadership
(Seramount, 2021)

John Schlijske, CEO of the Year
(National Diversity Council, 2021)

Best Companies for Dads
(Seramount, 2021)

JOIN

- We increased the number of women recruited as advisors, as well as external hires to our corporate headquarters.
- We now reach as many women as men with our advertising and have deepened our storytelling around the female experience.

STAY

- Our involvement in the nationally recognized #BiasCorrect campaign inserted Northwestern Mutual into the national spotlight and educated employees on the impacts of unconscious bias.
- We earned top-tier accolades for our Culture of Respect education.
- We added more than a dozen new programs to improve culture and support the advancement of women at Northwestern Mutual.

GROW

- We announced a \$20 million investment for women-led startups as part of Northwestern Mutual Future Ventures.
- We advanced leadership development, support, and coaching for women in the field and at the home office.
- We introduced a first-of-its-kind Women's Field Association to attract and develop the next generation of women in financial services.
- We involved 3,300+ financial professionals and employees who are committed to making the "Choice to Champion" women for mentorship and hiring.

Nothing basic about our benefits

Our Total Rewards add up to an employee experience like no other:

- Competitive pay with performance-based incentives
- Medical, dental, and vision insurance
- Wellness and health management program and resources
- Life insurance, survivor, and disability protection
- 401(k) match and pension plans
- Flexible paid time off
- Parental and caregiver leave programs
- Career development and training resources
- On-site medical centers
- Fitness centers

[Explore careers](#)



Helping our employees lend a helping hand

We're passionate about supporting our employees' passion to give back and support the causes they care about most. This includes:

- Two days paid volunteer time
- Matching Gifts program (dollar-for-dollar match for charitable gifts made by employees to accredited schools)
- Northwestern Mutual Volunteer Program (including mentoring, charity drives, and collections)
- United Performing Arts Fund
- United Way
- Blood drives

Appendix

Northwestern Mutual Corporate Governance

(as of June 1, 2021)

Introduction

The Northwestern Mutual Life Insurance Company (Northwestern Mutual) is a mutual insurance company incorporated by an Act of the Wisconsin legislature in 1857. The company and its subsidiaries offer a broad range of financial products and services, including life insurance, disability insurance, annuities, long term care insurance, investment products, and advisory products and services. As a mutual insurance company, Northwestern Mutual has no shareholders but rather is operated and managed for the benefit of its policyowners. The Board of Trustees of Northwestern Mutual is responsible for oversight of the management of the business and affairs of the company. The Board of Trustees currently consists of 16 policyowners of which only one, the Chairman, President and Chief Executive Officer, is an officer or employee of company.

Northwestern Mutual is the parent company of two other insurers, both of which are Wisconsin stock insurance companies. Northwestern Long Term Care Insurance Company (NLTC) offers long-term care insurance through Northwestern Mutual's dedicated but independent group of financial representatives located in offices nationwide. Wysh Life and Health Insurance Company (Wysh), f/k/a Greenhouse Life Insurance Company, was acquired by Northwestern Mutual in April 2021.

Northwestern Mutual's other non-insurance operating subsidiaries include Northwestern Mutual Investment Services, LLC, an introducing broker-dealer and investment advisor registered with the U.S. Securities and Exchange Commission (SEC), Northwestern Mutual Wealth Management Company, a limited purpose federal savings bank, two SEC-registered, institutional investment advisors, Mason Street Advisors, LLC, and Northwestern Mutual Investment Management Company, LLC. Certain of the company's investments are held within a number of wholly-owned investment holding companies. Each of Northwestern Mutual's subsidiaries are controlled, directly or indirectly, by Northwestern Mutual, with each subsidiary either having a board of directors or other governing body, a majority of whose members are Northwestern Mutual officers or employees, or through

Northwestern Mutual officers having the authority to act on behalf of such subsidiary.

For purposes of the Insurance Holding Company System Regulatory Act, Chapt. 617 Wis. Stats., Northwestern Mutual is the ultimate controlling person in the insurance holding company system.

This overview primarily describes the governance activities at Northwestern Mutual. As the ultimate controlling person in the insurance group, ultimate responsibility for the governance of Northwestern Mutual and its subsidiaries resides with Northwestern Mutual's Board of Trustees. The Northwestern Mutual Board of Trustees is, with one exception, the only board of directors or governing committee within the enterprise, a majority of which is comprised of independent members who are neither officers nor employees of Northwestern Mutual or one of its subsidiaries.¹

The earnings, capital, liquidity, operations, and reputation of the insurance group are generally overseen collectively, and the supervision of those factors is coordinated and exercised by Northwestern Mutual through its officers, employees, and ultimately, its Board of Trustees. The enterprise risk management program for the insurance group is overseen and managed by Northwestern Mutual officers and employees, and a committee of the Board is responsible for reviewing the enterprise risk management program and establishing the insurance group's risk appetite.

The requirements and standards for corporate governance at Northwestern Mutual are spelled out in four principal documents. They are the Company's Restated Articles of Incorporation, the Company's By-Laws, the Corporate Governance Guidelines adopted by the Board of Trustees, and the Charters and Delegations of the Board's Standing Committees.

Northwestern Mutual's Board of Trustees

As a Wisconsin mutual insurance corporation, Northwestern Mutual's Board of Trustees has basic responsibility and ultimate authority on all company matters, except with respect to matters reserved to its members. The Board elects the Chief Executive Officer and the other principal officers of the company, who are charged with managing the company.

¹ The Northwestern Mutual Series Fund, Inc. is an open-end investment company registered under the Investment Company Act of 1940, as amended. As a registered investment company, it is required to have a board of directors, a majority of whom are independent. The company is used as an investment vehicle for Northwestern Mutual's variable life insurance and annuity products.

Northwestern Mutual's Board of Trustees is comprised of experienced business executives and professionals with a wide range of skills and from a variety of industries.

Board Function and Structure. The primary function of the Board is one of oversight; it defines and oversees compliance with standards of accountability and monitors the effectiveness of management's policies and actions in such a way as to enable management to execute its responsibilities fully and in the interests of the company's members.

Consistent with this division of authority, the primary responsibilities of the Board of Trustees and its committees include:

- A. Overseeing the conduct of the company's business to determine whether it is being effectively managed, including through regular meetings of the outside trustees without management present; evaluating the performance of the company and its senior management; and selecting, regularly evaluating, and fixing the compensation of the Chief Executive Officer and the other principal officers as it deems appropriate;
- B. Monitoring fundamental operating, financial, and corporate strategies, as well as major plans and transactions;
- C. Providing advice and counsel to the Chief Executive Officer and other executive management of the company;
- D. Overseeing management in an effort to ensure that the assets of the company are safeguarded through the maintenance of appropriate accounting, financial, and other controls, and that the business of the company is conducted in compliance with applicable laws and regulations and the highest ethical standards;
- E. Evaluating the overall effectiveness of the Board of Trustees, as well as selecting and recommending to members qualified candidates for election to the Board; and
- F. In accordance with the By-laws, annually electing the members of the Examining Committee, whose purpose is to inquire into the general policies, operations, and management of the company, and receiving and reviewing its report.

Much of the work of the Board is done by its committees. The standing committees of the Board are currently the Audit Committee, Distribution and Technology Committee, Executive Committee, Finance Committee, and Human Resources, Nominating and Corporate Governance Committee. The Board has the authority to

establish additional committees as it deems necessary. The powers and duties of the committees are set forth in the By-laws or in written charters or delegations of authority adopted by the Board. Each committee is responsible for periodically reviewing its charter/delegation of authority. The Human Resources, Nominating and Corporate Governance Committee is responsible for reviewing proposed revisions to the committee charters/delegations of authority and recommending changes for adoption by the Board.

The Human Resources, Nominating and Corporate Governance Committee, after consultation with the Chief Executive Officer and consideration of the desires of individual Board members, recommends to the Board assignment of trustees to the standing committees and designation of chairs of the committees other than Executive and Finance. In accordance with the By-laws, the Chief Executive Officer serves as chair of the Executive and Finance Committees. The chairpersons of the other standing committees must be non-management trustees.

Board Size. The Board has authority under the By-laws to set its size within the range of 9 to 20 members. The Human Resources, Nominating and Corporate Governance Committee is charged with reviewing and recommending any changes in Board size to the Board. The Board of Trustees currently consists of 16 members.

The four standing committees that meet on a regular basis are generally nearly equal in size. The Audit Committee and the Human Resources, Nominating and Corporate Governance Committee generally meet at the same time, while the Distribution and Technology Committee and the Finance Committee generally meet concurrently. Consequently, trustees are generally assigned to one of each of the two committees which meet at the same time subject to qualification requirements. The Executive Committee is currently comprised of six trustees, the Chairman of the Board, the Lead Non-management Trustee, a senior non-management member of the Finance Committee, and the chairs of each of the Audit, Distribution and Technology and Human Resources, Nominating and Corporate Governance Committees. The Executive Committee is generally authorized to exercise all of the powers of the Board (subject to certain exceptions) when the Board is not in session and is usually called to meet between scheduled Board meetings when time warrants or necessitates more immediate action.

Board Leadership. The Board of Trustees has elected John E. Schlifske as its Chairman. Mr. Schlifske also serves as the President and Chief Executive Officer of the company. As Chairman of the Board, he presides at meetings of the Board as well as at meetings of the members.

Recognizing the critical role that independent trustees play in corporate governance, the Board of Trustees has also elected a Lead Non-management Trustee (i.e., a trustee who is not and never has been a member of management). Benjamin F. Wilson currently serves in this role. The Lead Non-management Trustee generally presides at closed sessions of the Board at which only non-management trustees are present and serves as a liaison with whom other non-management trustees may raise issues and suggest topics of potential Board-wide interest. The Lead Non-management Trustee meets regularly with the Chairman to discuss these issues and topics and helps establish the Board's agenda.

Each of the standing Board committees also has a chair, who is chosen by the full Board of Trustees. The Chairman of the Board chairs the Executive Committee and the Finance Committee, while independent trustees currently chair the other Board committees.

Board Policies & Practices

Independence. Under the Corporate Governance Guidelines, independent trustees are required to constitute a majority of the Board of Trustees. In addition, the By-laws provide that except for the Chairman of the Board, the President and two other principal officers, no trustee may be an officer, other employee, or agent of the company. At this time, only one of the 16 members of the Board of Trustees is an officer and employee of the company, Chairman of the Board, President, and Chief Executive Officer John E. Schlijske. None of the trustees are agents of the company, nor are any officers or employees of any of the company's subsidiaries. A retiring Chief Executive Officer of the company may continue to serve on the Board following retirement as an officer of the company, while any other officers are required to resign from the Board upon their retirement from the company.

Under their respective committee charters and the Corporate Governance Guidelines, both the Audit Committee and Human Resources, Nominating and Corporate Governance Committee are required to be comprised entirely of independent trustees.

The stock exchanges and self-regulatory organizations have adopted rules for determining independence of Board members. Such rules are not specifically applicable to Northwestern Mutual's Board because it is not a listed company. However, the Board has chosen to apply these rules in determining independence of Audit Committee and Human Resources, Nominating and Corporate Governance Committee members, and these rules help inform and provide guidance to the Board when it considers issues of independence.

Each year at the Board's annual meeting, based on the recommendation of the Human Resources, Nominating and Corporate Governance Committee, the Board of Trustees appoints members of the various

Board committees for the next year. The resolution adopted by the Board making the appointments includes a determination that the nominees for the Audit and Human Resources, Nominating and Corporate Governance Committees meet applicable independence standards. The Human Resources, Nominating and Corporate Governance Committee examines the information derived from disclosure questionnaires which each trustee completes on an annual basis listing their various business activities and affiliations and from other sources with the assistance of counsel prior to making its recommendations on committee membership to the full Board.

Meetings. The Board generally schedules five meetings annually. Other than one meeting held in September each year, the Board meetings generally consist of a one- to two- hour session late in the afternoon on Tuesday, and a half-day session which takes place on Wednesday morning.

The September meeting is longer, convening for a full afternoon session on Monday followed by a full morning session on Tuesday before adjourning mid-afternoon. That meeting is primarily focused on a more in-depth look at the company's strategy and the environment in which the company operates.

Meetings of each of the Board's committees, other than the Executive Committee, are generally held on the first day of the scheduled Board meetings. The Executive Committee meets on an as-needed basis when called.

The company's Annual Meeting of Members is generally held on the second Wednesday in June at the company's Home Office, and all of the continuing trustees as well as those nominated for election generally attend. In 2020, the Annual Meeting was held at the Home Office in accordance with past practice, but in light of health and safety concerns, the company offered members the opportunity to watch the meeting via livestream.

Attendance. The Corporate Governance Guidelines provide that trustees are expected to attend the meetings of the Board and of the Committee(s) on which they serve and to spend the time needed to properly discharge their responsibilities.

Attendance by trustees has been historically strong, and absences by trustees from Board and committee meetings have been relatively infrequent given the size of the Board. The Board has adopted a policy whereby any trustee who fails to attend at least two-thirds ($\frac{2}{3}$) of the meetings of the Board or two-thirds ($\frac{2}{3}$) of the meetings of any Committees to which he or she is assigned in any calendar year is deemed to have tendered his or her resignation from the Board, providing the Human Resources, Nominating and Corporate Governance Committee and the Board an opportunity to review the continued appropriateness of Board membership.

Selection of Trustees. Northwestern Mutual believes it is important that Board members be persons of high character and integrity who are committed to protecting and promoting the interests of the company's core constituency – its policyowners. Diversity of thought, as well as of gender, ethnic background, and geographic origin, are important considerations in assessing the overall make-up of the Board. In accordance with the By-laws, trustees must be members of the company, be United States citizens, be not less than 25 nor more than 72 years of age, and not have any relationship that would create a conflict of interest or impair independence of judgment regarding the company's affairs contrary to the *Guidelines for Business Conduct*.

The Human Resources, Nominating and Corporate Governance Committee is responsible for reviewing and reporting to the full Board of Trustees on the process, guidelines, and qualifications considered desirable in connection with selection of new candidates for the Board, and identifying and recommending to the Board candidates for election at the Annual Meeting of Members and for appointment to fill an interim vacancy on the Board. The Committee reviews and assesses the mix of expertise and experience of the Board in the context of its current membership and seeks to ensure that the right combination of talents, skills, and characteristics needed to maintain an effective Board are possessed by the members of the Board.

Historically, the majority of individuals nominated and elected to the Board of Trustees have first served on the Policyowners' Examining Committee (POEC), described in greater detail below. This affords members of the Board and management the opportunity to become acquainted with, and carefully consider the talents, skills and characteristics of potential Board candidates before they are formally nominated for trustee positions. Service on the POEC also allows those persons serving to thoughtfully consider their interest in serving on the Board of Trustees, and to gain an understanding of Northwestern Mutual's business model, operations, and financial condition prior to joining the Board, which significantly eases the trustee's orientation process at the beginning of their tenure.

Limitations on Board Service. Trustees' terms are four years. Balancing the need for institutional memory with the desire for flexibility to bring in different expertise as the company's business needs change, the Board of Trustees has established term limits for trustees. Tenure on the Board is limited to three consecutive four-year terms plus any stub period during which the trustee fills out the remaining portion of an unexpired term.

The Board has also adopted a mandatory retirement policy pursuant to which (a) a trustee who is a member of management (other than the Chief Executive Officer) must retire from the Board at the same time he or she ceases to serve as a principal officer of the company, and (b) other trustees must retire at the Annual Meeting of Members following attainment of age 72.

In addition, any trustee whose principal occupation or employment changes from what was the case when most recently elected to the Board is required to volunteer to resign from the Board, providing the Human Resources, Nominating and Corporate Governance Committee and the Board an opportunity to review the continued appropriateness of Board membership under the circumstances.

Election of Trustees. Trustees' four-year terms are staggered so that the terms of several offices expire each year. Vacancies that arise because of expired terms or for other reasons such as retirements or resignations are filled by the policyowners at the Annual Meeting of Members. Vacancies may be filled by the Board temporarily, but any trustee elected by the Board to fill a vacancy must stand for election at the next Annual Meeting of Members, or the second Annual Meeting if his or her election by the Board occurs between January 1 and the next Annual Meeting.

The Board, upon the recommendation of the Human Resources, Nominating and Corporate Governance Committee, proposes for nomination a slate of candidates for election at the Annual Meeting of Members. Notice of the meeting, proxy statements, and proxies are sent to policyowners in advance of the meeting, along with a copy of the company's annual report. Independent candidates may be nominated by policyowners who attend the meeting in person or by proxy.

Voting at meetings of members, including voting by holders of proxies, is conducted by written ballot. Members are permitted to submit their proxies by mail, by telephone, or electronically via the internet. Based on the tabulation of proxies received, ballots are prepared and executed by appointed proxies for voting at the Annual Meeting. The votes of the company's members, including those voted by proxy, are tabulated under the supervision of voting inspectors. The voting inspectors, generally three individual policyowners, are appointed by the Human Resources, Nominating and Corporate Governance Committee.

Board Diversity. Northwestern Mutual values diversity and inclusion and sees it as a business advantage. While the company does not have a formal policy regarding Board diversity, the Corporate Governance Guidelines do expressly state that "Diversity of thought, as well as of gender, ethnic background and geographic origin, are important considerations in assessing the overall make-up of the Board."

Northwestern Mutual is proud of its record with regard to the diversity of its Board of Trustees. Since 2015, 11 new members have been elected to the Board, three of whom are women and six of whom are people of color. The current Board includes residents of 10 states, representing all regions of the U.S., four members who identify as African-American, two as Hispanic/Latino, and one as Asian-American.

Performance Evaluation. The Human Resources, Nominating and Corporate Governance Committee is responsible for initiating and overseeing periodic Board self-evaluation processes to assess the performance of the Board, its committees and its members. Evaluations are generally conducted every other year. The purpose of the assessments is to increase the effectiveness of the Board, its committees, and its members. The results of evaluations and surveys which concern the full Board and its committees are shared with the full Board, together with any suggestions for improvement, while individual assessments of any trustee's performance, together with suggestions for improvement, are discussed with the affected trustee by the Chairman of the Board and the Lead Non-management Trustee.

Northwestern Mutual's Senior Leadership

Overview and Management Structure. The Board of Trustees elects the principal officers of the company and prescribes the powers and duties of such principal officers within the company. Under its charter, the Human Resources, Nominating and Corporate Governance Committee recommends to the Board principal officer appointments and changes to the company's organizational structure. The principal officers include the Chief Executive Officer along with those senior members of management who directly report to the Chief Executive Officer and manage a functional area of the company.

The Chief Executive Officer and the principal officers reporting to him comprise the senior leadership team.

Members of the senior leadership team generally attend all of the meetings of the Board of Trustees. Certain members also serve as liaisons to the Board committees or are regular attendees at their meetings and assist them in setting their agendas, elevating issues to the committees' attention that are within their purview and supporting the Board committees with the information needed to fulfill their oversight responsibilities pursuant to their charters and delegations of authority. The liaison/regular attendance role also helps serve as a way for issues, concerns, and action items raised by the Board committees to be taken back to management for follow up.

In addition to the Board-established reporting structure, Northwestern Mutual uses a system of cross-functional subject matter management-level corporate committees as an integral part of the governance structure of the enterprise.

Each corporate committee is charged with providing direction and overseeing performance and risk management of "enterprise level issues." Enterprise level issues are those issues which set or significantly impact enterprise strategy; establish enterprise level governance and risk management; involve strategic transactions or financial matters that are material to the enterprise; and/or require resolution of conflicting strategic priorities. In addition to the specific duties

included in their charters, all corporate committees are charged with the following:

- Address enterprise-level issues within the scope of the committee's charter.
- Oversee risk identification, mitigation, and management efforts in risk categories assigned to the committee (if any), including understanding the most significant aspects of risks within the category, who owns the risk, mitigation efforts in place, and resources needed to appropriately manage the risks.
- Update the senior leadership team or other stakeholders, as appropriate, on the committee's agenda, discussion, and major decisions.
- Make recommendations and decisions, as appropriate, necessary to fulfill the committee's responsibilities.

Executive Compensation. The Board of Trustees is responsible for monitoring the performance of management. Directly and through the Human Resources, Nominating and Corporate Governance Committee, the Board conducts an annual evaluation of the performance, and sets the compensation of, the Chief Executive Officer and collaborates with the Chief Executive Officer in evaluating the performance and determining the compensation of the other principal officers of the company.

As a mutual company, Northwestern Mutual operates in the long-term best interests of its policyowners and with a focus on steady and sustained growth in policyowner value. The company's executive compensation programs are designed and administered to mirror and support this long-term focus.

The company's executive compensation programs are designed to attract, reward, and retain its key executives, and to align executive compensation with the interests of the company's policyowners. These programs are important contributions to the company's efforts to attract and retain high-caliber executives, pay them for top corporate performance, provide rewards for enhancing long-term growth, and align their interests with the interests of the company's policyowners.

In evaluating the company's executive compensation programs relative to market compensation, the Board of Trustees has engaged and consults with a nationally recognized executive compensation consultant. That consultant is engaged by and reports directly to the Board. The chairman of the Human Resources, Nominating and Corporate Governance Committee has frequent contact with its consultant to ensure unbiased and outside advice on the company's executive compensation programs. The consultant meets with the

Human Resources, Nominating and Corporate Governance Committee and/or the Committee chair, outside the presence of management, on several occasions each year.

As part of this process, the consultant regularly reviews with the Committee information regarding compensation paid in the market and the company's position relative to the market. To facilitate this comparative analysis, a list of peer companies is identified and approved annually by the Human Resources, Nominating and Corporate Governance Committee. The criteria used for the selection of peer companies includes companies with comparable businesses and business models, companies of comparable size, companies recognized for strong performance and financial strength, and progressive companies which may represent a source of future executive talent.

The company's executive compensation structure consists of three basic parts:

- Base pay, which provides an annual salary that is aligned with the executive's responsibilities and authorities.
- Annual incentive pay, which rewards executives for achieving and exceeding annual performance objectives, both company and individual.
- Long-term incentive pay, which rewards executives for overall corporate performance over a longer term, with a strong emphasis on growth in policyowner value.

Under the Annual Incentive Plan, the Board establishes certain annual performance measures and targets. Each of these measures has a numerical target and is weighted, with a range around that target to determine how payouts are calculated. The measures used in the Annual Incentive Plan are aligned to the company's business plan which is likewise approved annually by the Board. The threshold and maximums for each measure are based on historical variability.

Under the Long-Term Incentive Plan, the Board establishes certain longer-term performance measures and targets. Like the Annual Incentive Plan, each measure in the Long-Term Incentive Plan has a numerical target and is weighted, with a range around that target which determines how payouts are calculated. Performance is measured over a three-year period. Payouts for the company's principal officers are based on individual award amounts as granted by the Board, which are then multiplied by the overall plan payout percentage to determine the final value of the long-term incentive compensation awards.

While calculations under both the Annual Incentive Plan and Long-Term Incentive Plan are primarily formulaic, the Board does retain discretion to adjust payouts in the event of exceptional circumstances.

As noted above, decisions regarding compensation of the company's principal officers, its most senior executives, are the responsibility of the Board, and in almost all cases, based on the recommendations of the Human Resources, Nominating and Corporate Governance Committee. The Committee consists entirely of independent trustees, and its recommendations are made with the input of the independent executive compensation consultant.

Members of management, other than the Chief Executive Officer, are excused from those portions of meetings at which management performance is reviewed and individual compensation and benefits are determined. The Chief Executive Officer is excused from those portions of the Board and Human Resources, Nominating and Corporate Governance Committee meetings at which his or her own compensation is discussed and determined. The chair of the Human Resources, Nominating and Corporate Governance Committee presides at closed sessions of the Board dealing with principal officer pay, performance, or succession.

Succession Planning. A key responsibility of the Board is succession planning and the selection of the Chief Executive Officer and other members of senior management. Under its charter, the Human Resources, Nominating and Corporate Governance Committee is charged with periodically reviewing and reporting to the Board on company policy relating to succession planning and leadership development and recommends to the Board principal officer appointments and changes to the company's organizational structure. The Chief Executive Officer and the Chief Human Resources Officer attend all meetings of the Human Resources, Nominating and Corporate Governance Committee and regularly review succession plans for members of the senior leadership team. The Chief Executive Officer also discusses the performance of the members of the senior leadership team, and candidates to succeed him, in executive sessions of the Committee and the Board of Trustees.

Risk Governance

The company's enterprise risk management governance practices establish clear accountability for oversight of risk management activities. The corporate governance structure provides a system of checks and balances that reflects the need for both competitiveness and prudent risk management. This structure assures accountability for scrutinizing risks, defining tolerances, and managing risk within those tolerances. This governance structure includes oversight at both the Board of Trustees and corporate committee levels, segregation of duties through an organizational design incorporating the "three lines" concept, and development and maintenance of a documented risk appetite and risk policies.

The Board of Trustees oversees the company's overall risk management efforts. The company's Enterprise Risk Management group produces an Enterprise Risk Assessment report on an annual basis. This assessment is developed using a collaborative process to identify the current and emerging risks that present the greatest concern to the company and require oversight at the highest levels to help assure the success of the company. The report is annually presented to the Board of Trustees. In addition, the Board and its committees receive periodic updates regarding risks and the actions management is taking to respond to the risks identified in the Assessment.

The company's Board charters assign primary oversight responsibility for the company's activities related to environmental stewardship, corporate social responsibility, and corporate governance matters to the Human Resources, Nominating and Corporate Governance Committee, and for these matters as related to invested assets, to the Finance Committee. In addition, the company's Corporate Public Policy Committee provides oversight for the company's strategy, metrics, and execution of an ESG framework.

Policyowners' Examining Committee

Northwestern Mutual's corporate governance practices include an additional unique feature that to its knowledge no other major U.S. insurer engages in. Under the company's By-laws, each year the Board of Trustees appoints an Examining Committee consisting of not more than six or less than three individuals who are either policy or deferred annuity holders or who are named insureds under one or more insurance policies issued by either the company or one of its subsidiaries, who are not trustees, agents, officers, or other employees of the company or any of its subsidiaries.

The committee, known as the Policyowners' Examining Committee, generally meets in person two times in the company's Milwaukee home office (although all of the 2020 meetings were held virtually due to the COVID-19 pandemic). During their meetings, members of the POEC are invited to look at all aspects of Northwestern Mutual's operations, management, and strategic plan—independently and without restrictions. They are asked to evaluate the company's efforts to meet the long-term needs of policyowners and make suggestions for improvement. The POEC meets extensively with members of senior management and other employees during the course of their visits. The results of their review are published each year in Northwestern Mutual's Annual Report. In addition, the committee's report is shared with the Board of Trustees, and the committee chair meets with the Board to present its findings and recommendations as well as to answer any questions the trustees may have.

Guidelines for Business Conduct

The company maintains a code of ethics, known as the *Guidelines for Business Conduct*, which addresses conflicts of interest (including gift and entertainment policy), proper use of the company's funds, fair dealing in connection with company operations (including policy against use of inside and non-public information), reporting requirements and accountability for non-compliance, and disclosure procedures. The *Guidelines* are periodically reviewed and updated as necessary, with changes approved by the Board of Trustees.

The *Guidelines for Business Conduct* are provided to all new employees when they join the company. In addition, they are posted on the company's intranet. All trustees receive the *Guidelines* when they join the Board, and they are posted on a secure board portal accessible to trustees. On an annual basis, all employees and trustees are called on to review and affirm their compliance with the *Guidelines for Business Conduct*.

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. Northwestern Long Term Care Insurance Company, Milwaukee, WI (long-term care insurance) is a subsidiary of NM.