

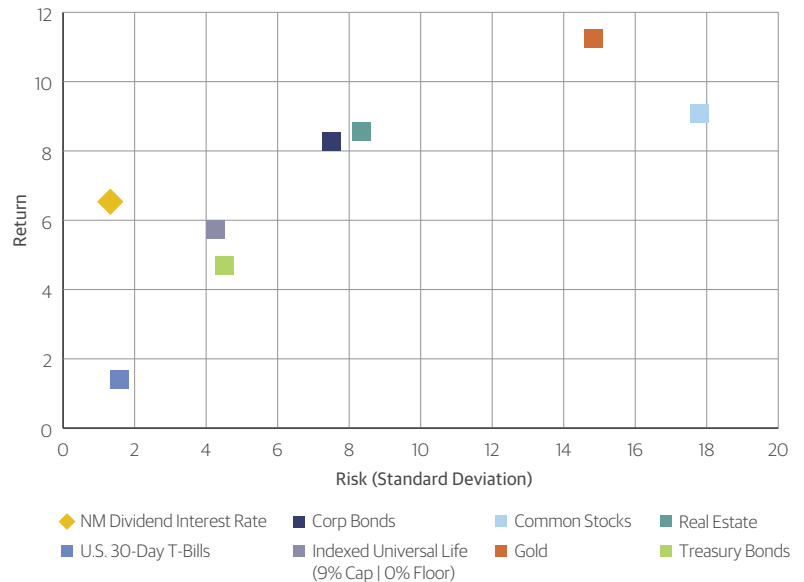
Choose more reward, less risk

Create a lifelong foundation for your financial security

People who own life insurance know it has no equal when it comes to helping to guarantee financial security for those they care about after they die. Those who own a permanent life insurance policy can take advantage of an accumulation feature that contributes to their financial independence. Those who have owned a permanent life policy from The Northwestern Mutual Life Insurance Company (Northwestern Mutual) have benefited from a unique investment approach that has contributed to the company's industry-leading dividend performance. Dividends paid by the company are declared annually and approved by the board of trustees based on the company's experience with respect to its investments as well as expenses and claims. And, while dividends may change over time and are not guaranteed, Northwestern Mutual has paid dividends every year since 1872.

Competitive returns with low volatility

Under the variety of economic conditions of the most recent 20 year period, the returns on a portfolio comprised solely of corporate bonds averaged 8.22%. The returns on Northwestern Mutual's overall portfolio contributed to a dividend interest rate that averaged 6.50%. And that result was achieved while subjecting the assets to less risk of loss (bonds lost over 7% in both 1999 and 2013). Certainly, a 100% investment in stocks would have averaged a higher rate of return, 9.06% during the same period, but it was earned with a risk factor much greater than the Northwestern Mutual's more balanced portfolio.



The relative placement of the various portfolios on the diagram is determined by two factors: the average return for each portfolio for the period 2001-2020, and the volatility experienced by those portfolios. Those investments with the greatest swings are the highest risk portfolios.

ACTUAL RESULTS - 20 YEARS (2001-2020)

	ANNUAL RATES OF RETURN		
	Highest	Lowest	Average
Common Stocks	32.39	-37.00	9.06
Corp Bonds	19.95	-7.07	8.22
Gold	31.92	-27.33	11.18
Treasury Bonds	13.11	-2.40	4.66
U.S. 30-Day T-Bills	4.80	0.02	1.38
Real Estate	20.06	-16.86	8.51
Indexed Universal Life (9% Cap 0% Floor)	9.00	0.00	5.73
	DIVIDEND INTEREST RATE		
Northwestern Mutual	8.80	4.90	6.50

Our unique investment approach

The investment portfolio that supports Northwestern Mutual's permanent life insurance policies includes all the major asset classes and market sectors – fixed income and equities, as well as real estate developments, leveraged buyouts and mezzanine investments. We achieve even greater diversification by carefully selecting a large number of investments within each of them.

Because our policyowners tend to live long lives, are loyal to the company, and pay premiums consistently, compared to our competitors, Northwestern Mutual has the latitude to not only invest long-term, but also to allocate a higher percentage of assets to those classes that generally offer higher yields.

Additionally, by combining the returns on more recent investments with those on long-term investments made years ago, we establish a portfolio that rounds off the peaks and valleys. Our policyowners benefit from all of our investments, regardless of when they actually purchase their policies. This portfolio approach helps to shelter them from the day-to-day volatility of the market.

Following this approach, Northwestern Mutual has demonstrated over an extended period that it has increased the company's total investment return while reducing the variability of those returns.

This material describes the investment strategy for the managed assets in Northwestern Mutual's general account and the investment performance of these assets. When purchasing the company's life insurance and annuity products, clients are not investing in the company's General Account portfolio, but purchasing products backed by the financial strength of Northwestern Mutual. "Lower Risk" and "Higher Risk" are general indications of the relative risk of loss of a particular type of investment compared to other investments. Generally, in investing, higher-risk investments offer greater potential return. All investments carry some risk of loss. For more details on the concepts discussed in this brochure ask your financial representative to see "The Power of the Portfolio" (29-4692) and/or "Our Mutual Advantage" (19-0185).

The Company's dividend interest rate for unborrowed funds for most traditional life insurance policies reflects the investment performance of the managed assets net of taxes and any contribution to surplus. This rate is used for crediting interest on policy values after deducting mortality and expense charges. Because of the mortality and expense charges, the dividend scale interest rate should not be used as a measure of the policy's internal rate of return. The dividend scale and the underlying interest rates are reviewed annually and are subject to change. Future

dividends are not guaranteed, although Northwestern Mutual has paid a dividend every year since 1872. Indexes and/or benchmarks are unmanaged and cannot be invested in directly. Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Common Stock: The S&P 500® Index is a broad-based measurement of changes in stock market conditions based on the aggregate performance of 500 widely-held common stocks. Investing in small company stocks involves a greater degree of risk than investing in medium or large company stocks. Corporate Bonds: Citigroup Long-Term High Grade Corporate Bond Index. Gold: Returns based on the annual change in the price of gold. Treasury Bonds: A One-Bond Portfolio with five year maturities. U.S. T-Bills: A One-Bill Portfolio, an index of 30-day Treasury Bills. Real Estate: NCREIF Property Index Source Calculated by Northwestern Mutual using information and data presented in Morningstar Investment Analysis Software, © 2021 Morningstar Associates, Inc. All rights reserved. Used with permission.

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.

