

2016 Planning & Progress Study

Assessing Financial Security

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI and its subsidiaries.

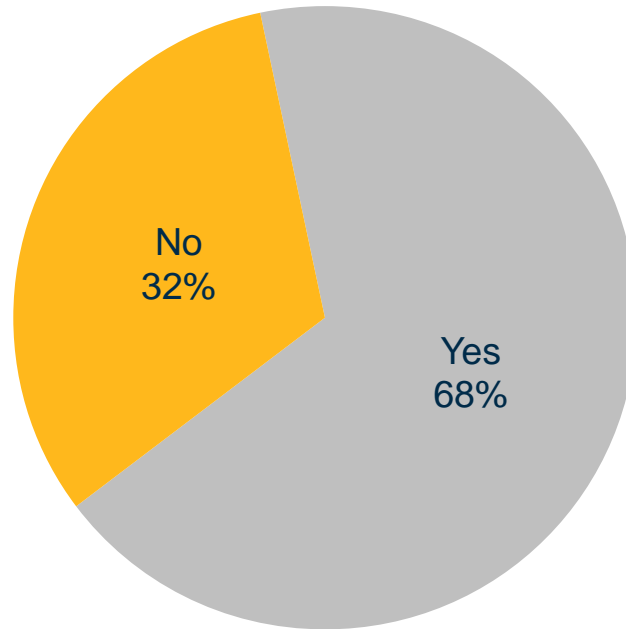
Background

The 2016 Planning & Progress Study seeks to provide unique insights into U.S. adults' attitudes and behaviors toward money, financial decision making, and the broader landscape issues impacting people's long-term financial security.

The study is based on an online survey of 2,646 U.S. adults conducted from February 1-10, 2016 (2,026 interviews with U.S. adults age 18+ in the General Population and an oversample of 620 interviews with U.S. Millennials age 18-34).

Data were weighted to be representative of the U.S. population (age 18+) based on Census targets for education, age/gender, race/ethnicity, region and household income.

One Third of Americans Lack a Clear and Accurate View of Their Whole Financial Picture

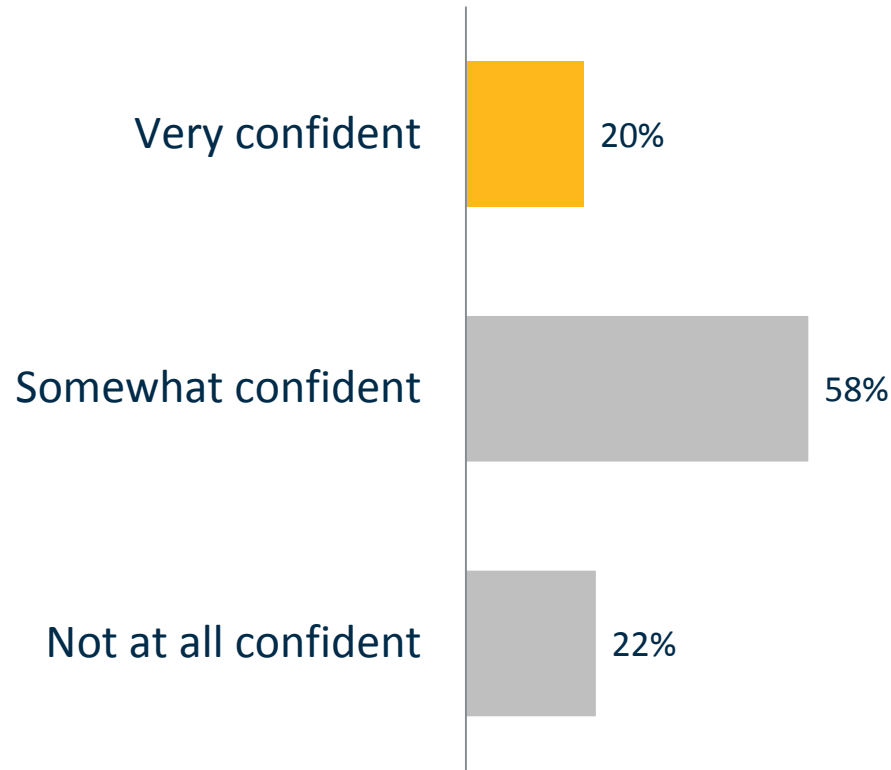


BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2026)

Q570 Do you believe you have a clear and accurate view of your whole financial picture - both current obligations and future needs?

Confidence in Reaching Financial Goals is Also Low for Some

Just one in five American adults are “very confident” they will reach their financial goals.

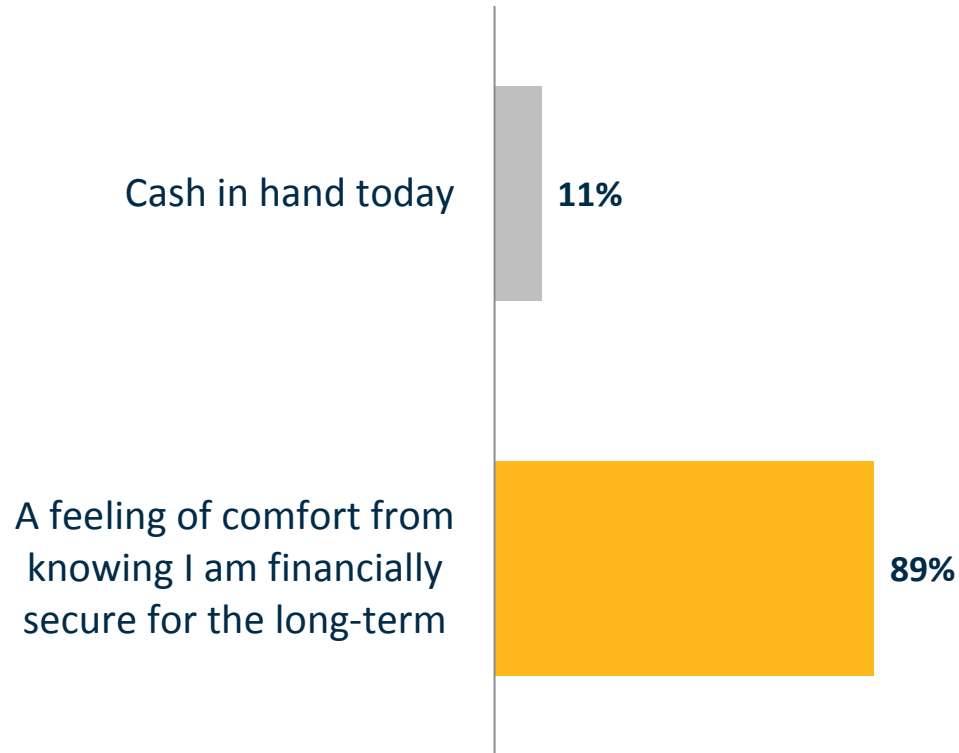


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Q1630. How confident are you that you will be able to achieve your financial goals?

Yet Americans Strongly Value Long-Term Financial Security

The vast majority of U.S. adults would trade “cash in hand today” for a “feeling of long-term security tomorrow.”



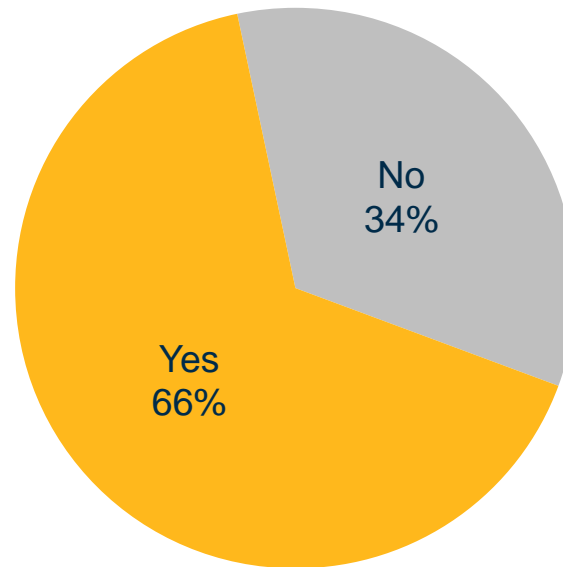
BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2026)

Q545 Which do you consider more valuable?

...And Recognize That Their Financial Planning Needs Improvement...

Two in three US adults feel their financial planning needs improvement.

% Who Think Their Financial Planning Needs Improvement



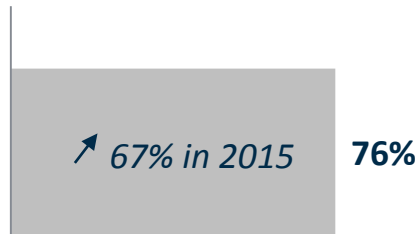
BASE: ALL QUALIFIED RESPONDENTS- - Gen Pop: (n=2026)
Q1010. Do you think your financial planning needs improvement?

Theory About Financial Planning Does Not Always Translate into Practice

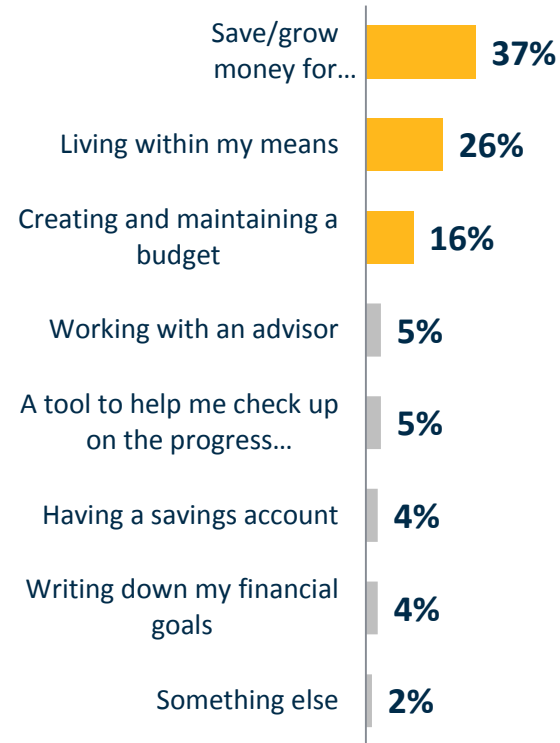
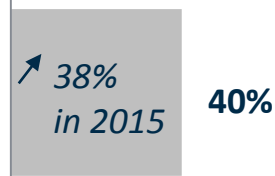
Only 40% are confident their financial plan can withstand market cycles, even though three quarters expect more financial crises. Also, less than half define a financial plan as a strategy “to save or grow my money to allow me to live comfortably when I get older (or retire)”

% Strongly/Somewhat Agree

Over time, there likely will be more financial crises.



I am confident my financial plan (or retirement plan) can withstand market cycles (booms and busts).



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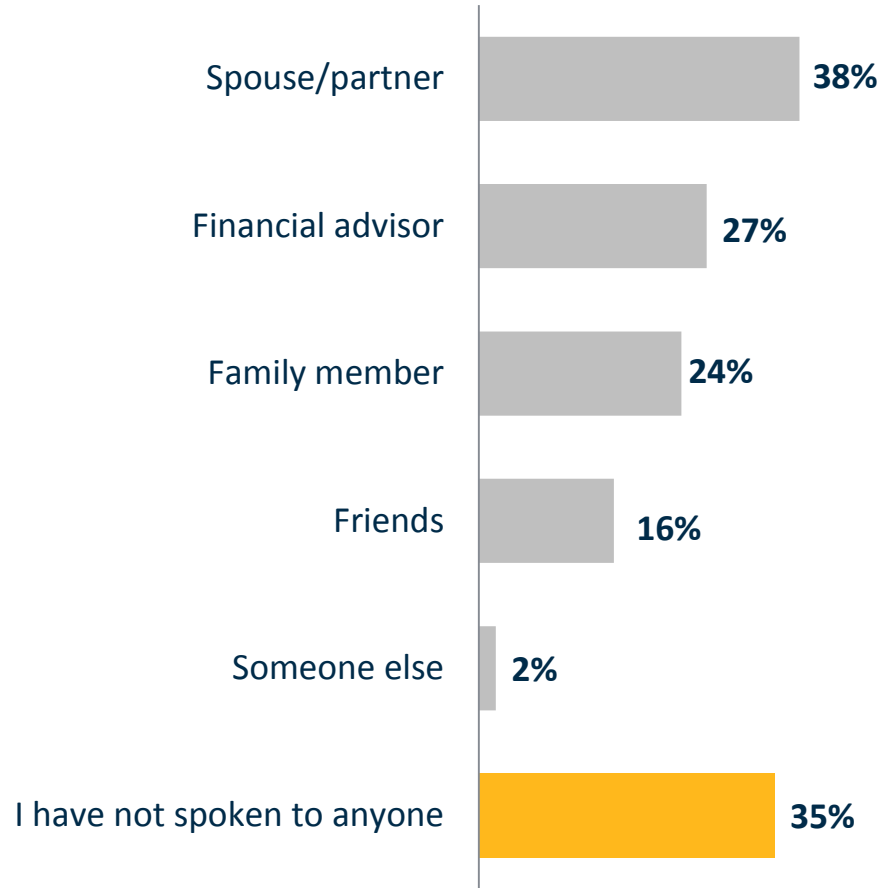
Q575 If you had to select one statement from the list below, which one describes your view on what it means to have a financial plan? Is it...?

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Q1115 How much do you agree or disagree with each of the following statements?

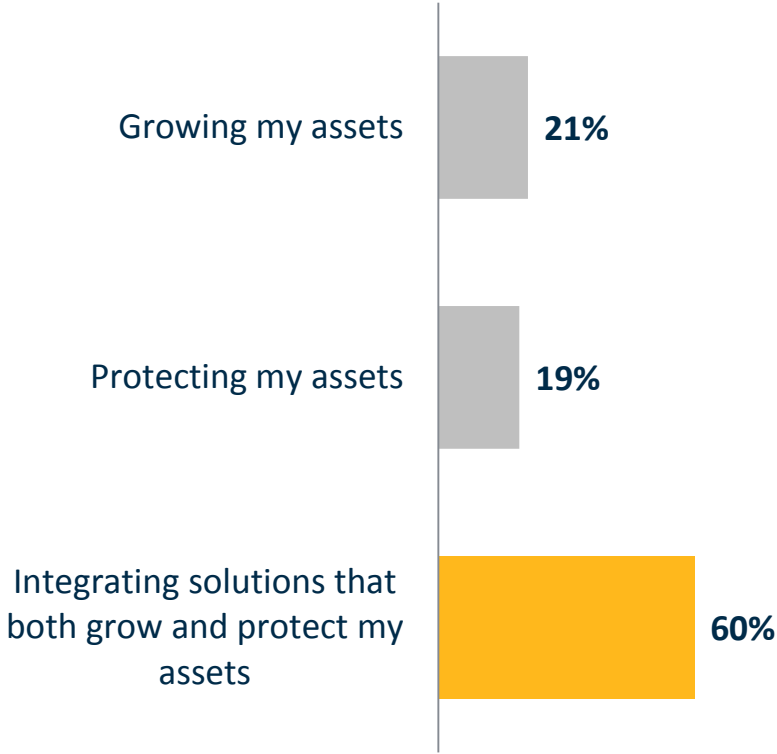
Some Americans Aren't Even Discussing Retirement with Others

35% have not spoken to anyone about retirement.



BASE: ALL QUALIFIED RESPONDENTS - - Gen Pop: (n=2026)
Q1130. And who have you talked to about retirement?

While People Recognize the Importance of Protecting and Growing Assets for Strategies for Achieving Financial Security...

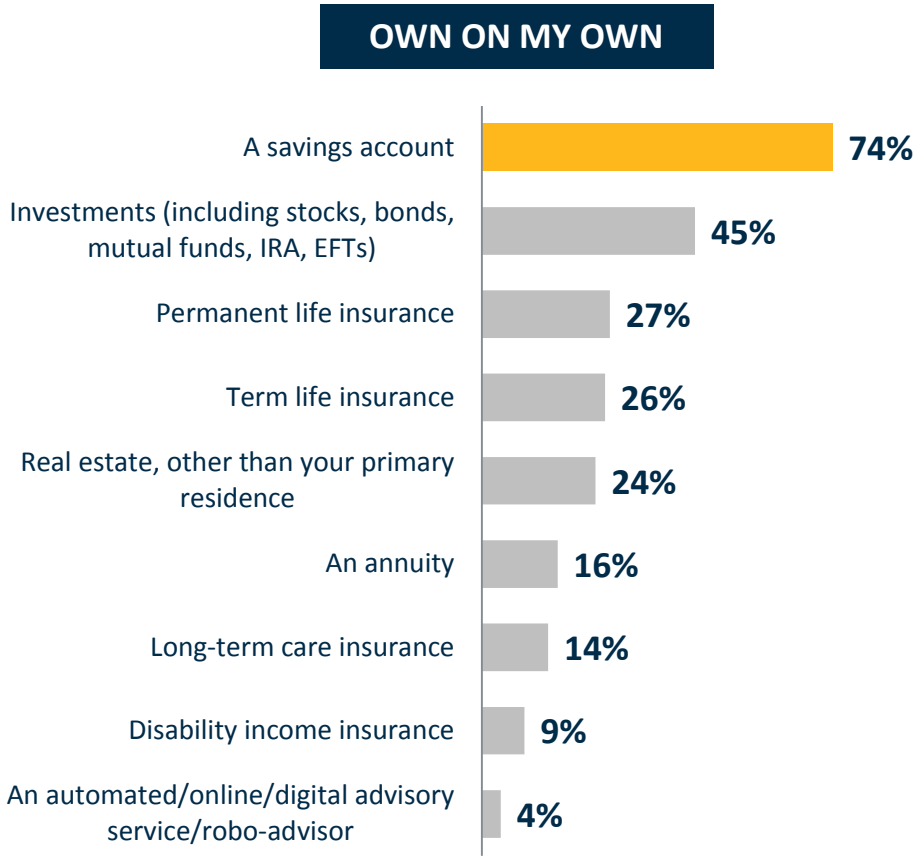


BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2026)

Q540 Which of the following is most important to you in achieving financial security for yourself?

...Few Americans Own Financial Products Beyond a Savings Account

For Americans, ownership of financial products beyond a savings account is low.



BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2,026)

Q1260 Which of the following products, if any, do you currently own on your own or through your employer?