

Partner Outreach – Approved Messaging Points

March 16, 2020

Overview

- The Coronavirus (COVID-19) continues to dominate conversations and headlines throughout our country and around the world due to health, market and economic impacts.
- At Nationwide, we're prudently preparing for potential impacts by taking steps to ensure we deliver on our mission to protect people, businesses and futures with extraordinary care.
- This includes educating our associates about coronavirus, testing our contingency plans, and communicating with our members and partners. We're also actively monitoring the impact on the markets so we can provide education to help our partners navigate this environment with their clients.
- Nationwide is in the business of managing risk, and, although these are unprecedented times, we have planned and prepared for this type of scenario. We're technology enabled and people connected.

Business Continuity

- We are prepared to continue providing extraordinary care to our partners and members.
- Our business continuity plans continue to contemplate customer, technology and geographic needs. Should the need arise to conduct business outside of normal operations, Nationwide is prepared to leverage work-from-home capabilities and our multiple locations across the country to support critical business operations.
- While the coronavirus has not affected our business operations, to minimize risk and ensure the safety of our associates, we're initiating our business continuity plans. This includes activating the plans we already have in place and enacting our work-from-home plans.
- Nationwide suspended all international business travel through April 1, 2020.
- Starting Monday, March 16, we proactively implemented a progressive work-from-home policy to reduce the associate populations in our home office and larger regional campuses, at the same time, continuing to support critical business operations.
- Additionally, Nationwide made the decision to move to a complete companywide WFH schedule by Monday, March 23. We are confident that we can accomplish this transition without negatively impacting our business and serving our members.
- The updated work-from-home schedule includes conducting all meetings (with internal and external parties) virtually, effective March 23 until further notice.
- Specifically, here's what the updated policy means for our NF sales teams and partners:
 - All firm and partner meetings will be conducted virtually.
 - All external group meetings (no matter the attendee size) will be conducted virtually. If conducting the meeting virtually is not possible, the meeting will be cancelled or rescheduled. Our teams will be cancelling or rescheduling any planned events/meetings that must be held in person through April to give enough notice to our partners.
 - Sales associates are encouraged to continue meeting with their advisors and partners, but to do so virtually.
 - NF sales associates should not plan business-related travel, as all meetings (even 1:1 meetings) will be conducted virtually.
 - In the coming weeks, your Nationwide representative may suggest alternative meeting options such as videoconference, virtual meetings or conference calls. We will continue to be responsive and responsible, operating in everyone's best interest.
 - We will continue to review the need to continue with virtual-only meetings in alignment with Nationwide's policy and will communicate any changes.

Associate Safety

- We are taking appropriate actions to protect the health and well-being of our associates.
- We are following CDC guidance with precautionary steps and education for our associates on what they can do to stay healthy and asking them to stay home if they are sick.
- Nationwide has no associates who have tested positive for the Coronavirus, and the company is well prepared to meet the needs of its members and ensure the safety of our associates.
- We continue to closely monitor our associate populations across the country and take appropriate steps if warranted.
- This is a very fluid time, and we are meeting frequently to ensure that our responses are timely and in the best interests of our people.

Partner Resources

- As we keep a close watch on market conditions, we will continue to provide resources to help our distribution partners navigate this environment with their clients. [Nationwide's Advisor Advocate blog](#) provides the latest insights on market coverage from Nationwide.
- We're also proactively reaching out to advisors with tools to assist them in having conversations with their clients.
- In our retirement plans business, many plan participants are concerned about the impact recent market volatility will have on their retirement savings. We are surrounding participants with support to educate and inform their decisions in any way they choose to interact.

Strong and Stable

- As a mutual, we can take a long-term view, and we are well capitalized to keep our promises to policyholders.
- Nationwide is strong, stable and committed to keeping our promises, as we have for almost 100 years. We have a long history of disciplined investing and prudent decision-making and have successfully navigated similar market challenges. We didn't take federal assistance and came out of the 2008 recession stronger than ever.
- Our consistently high ratings by A.M. Best, Moody's and Standard & Poor demonstrate our ability to withstand changes in the market and remain financially strong.
- Our portfolio consists of a broad range of quality investments in various types of securities spread across industries, geographies, and markets – ensuring we have the capital and liquidity to fulfill our financial obligations and keep our promises.
- Nationwide will continue to closely monitor the situation and strive to do all we can to minimize disruption and deliver the protection and service our customers and partners expect.

Impact of the Markets on Nationwide Financial Businesses

- Last fall, Nationwide Financial announced a new operating model designed to help our business meet the evolving financial needs of our partners and members, while delivering strong top- and bottom-line results. This structure created greater accountability and faster decision making, while positioning us to address challenges and accelerate on opportunities.
- As we work together to navigate today's challenging economic and market conditions, we are confident that we have the right leaders and strategy in place to not only help us weather this environment, but to emerge stronger than our competitors.
- While the market conditions are beyond our control, we remain focused on what we can control.
- Throughout the past several months, our teams have built greater discipline into how we manage our product portfolio and price our products. This has served us well in this lower-for-longer interest rate environment and better prepared us as we move into a slowing economy and face a potential recession.

- It's during times like these that Nationwide's strength and stability, mutuality, and diverse product portfolio are a competitive advantage. We can take a longer-term view, while focusing on protecting our members' capital.
- We are focused on prudently balancing top-line growth with bottom-line profitability. That means we are taking a slightly shorter-term view with products more affected by interest rates/market volatility while leveraging our diverse portfolio to focus on products less affected by interest rates.
- To ensure we continue to balance customer value with profitability, we are evaluating--and in some cases--taking action in our more interest rate sensitive product lines. This could include making pricing changes, implementing commission changes, suspending sales, or restructuring products (longer term).
- Distribution leaders are communicating specific product impacts to their sales teams, continuing to monitor the market volatility, and are positioned to react quickly as needed.

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Nationwide[®]
is on your side

Q4 2019

Strength and stability overview

We're committed to keeping our promises.

Nationwide[®] is a U.S.-based company with a strong and stable financial foundation rooted in asset management and a rich history of disciplined investing. **We're committed to being here for you and your clients through the years ahead.**

We were founded by a group of forward thinkers who joined forces to protect what's most important. Our proud mutual heritage and ongoing commitment to our communities help us continue to put customers first.

\$26.7

BILLION

in operating revenue
in 2019

Almost

100

YEARS

of disciplined investing



• Not a deposit • Not FDIC or NCUSIF insured • Not bank guaranteed • Not guaranteed by the institution
• Not insured by any federal government agency • May lose value

Rely on one of the largest financial services companies in America.

Continue to have confidence in Nationwide.

Our diversified corporate portfolio allows us to navigate all manner of economic ups and downs — and positions us well to avoid being overly exposed to any single business or risk.

In addition, the life insurance companies within Nationwide are highly regulated and subject to strict capital requirements designed to help ensure we remain financially sound.

diversified CORPORATE PORTFOLIO



financial services



personal property
and casualty



commercial property
and casualty

\$8.8 BILLION
Statutory capital and surplus
as of 12/31/2019

A+
AM Best

received 10/17/2002
affirmed 12/17/2019

A1
Moody's

received 3/10/2009
affirmed 11/07/2017

A+
Standard & Poor's

received 12/22/2008
affirmed 9/16/2019

These ratings and rankings reflect rating agency assessment of the financial strength and claims-paying ability of Nationwide Life Insurance Company and Nationwide Life and Annuity Insurance Company. They are not intended to reflect the investment experience or financial strength of any variable account, which is subject to market risk. Because the dates are updated only when there's a change in the rating, the dates above reflect the most recent ratings we have received. They are subject to change at any time.

Risk management is one of our core competencies.

Nationwide has been focused on it from the beginning.

Our enterprise risk management capabilities are viewed favorably by third-party rating agency services citing our ability to assess and manage exposures through hedging and reinsurance programs and our robust internal structure to measure and monitor alignment of risk exposures.¹

We're also proud of our in-house hedging program. Having this infrastructure internally sets us apart from competitors by allowing us to finely tune our hedging strategies to specific policies and be responsive to ever-changing market conditions.

*It's a competitive advantage
and an added protection for
our policyholders.*

We're investing for the future from a financially sound foundation.

Our disciplined investment approach, strong balance sheet and investment portfolio are built on quality and diversity.

Nationwide's portfolio consists of a broad range of quality investments in various types of securities spread across industries, geographies and markets. **The goal: to ensure we have the capital and liquidity to fulfill our financial obligations and keep every promise we make, now and in the future.**

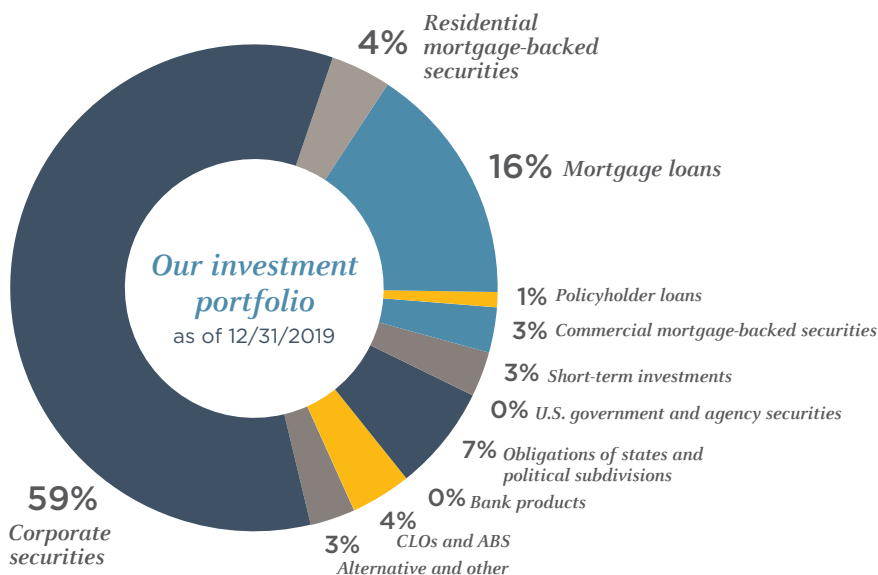
To meet that goal, our product development and investment groups work as a team to develop investment strategies that meet our financial obligations, stay within our risk tolerance and support the guarantees we make to clients.

Disciplined investment approach

Strong balance sheet

Wide array of *quality* investments

\$85 BILLION
in investment assets²
as of 12/31/2019



Fixed maturity securities

Fixed maturity securities (public and private bonds) comprise 77% of the portfolio, and 96% of these securities are rated as investment grade with a Baa rating or better.

The following table summarizes the credit quality of the fixed maturity securities as determined by the National Association of Insurance Commissioners (NAIC) and the equivalent ratings by Moody's.

NAIC designation ³	Moody's equivalent designation ⁴	% of total
1	Aaa/Aa/A	54%
2	Baa	42%
3	Ba	3%
4	B	1%
5	Caa and lower	0%
6	In or near default	0%

We're dedicated to helping America prepare for and live in retirement — *and it's our belief that we can do more together than we can alone.*

We appreciate the opportunity to work with you, and we look forward to continuing to earn your business.



To learn more about Nationwide,
visit nationwide.com/personal/about-us.



¹ AM Best Credit Report – Nationwide Group, December 17, 2019. Nationwide Mutual Group Core Subsidiaries 'A+' Ratings Affirmed; Outlook Stable, September 16, 2019.

² Nationwide Financial Statistical Supplement (December 31, 2019).

³ NAIC designations are assigned at least annually. Some designations for securities shown have been assigned to securities not yet assigned an NAIC designation in a manner approximating equivalent public rating categories.

⁴ Comparisons between NAIC and Moody's designations are published by the NAIC. If no Moody's rating is available, Nationwide assigns internal ratings corresponding to public ratings.