

FORTUNE

EXCERPT

THE WORLD'S MOST ADMIRABLE COMPANIES 2006

How the companies are ranked

FORTUNE created a list of 351 companies in 30 industries with revenues greater than \$8 billion. Hay Group sent surveys to 8,645 executives and directors at those companies, as well as to analysts. Respondents were asked to rate companies in their industry on nine attributes, on a scale of 0 (poor) to 10 (excellent); the average of those scores was used for country and industry rankings. Respondents were also asked to rank their top ten companies across all industries. The All-Star list is based on that result.

16. Insurance: Life and Health

2005/2004	SCORE		
1	1	Northwestern Mutual	7.49
2	2	New York Life	7.19
3	3	Prudential Financial	7.01
4	5	ING Group	6.23
5	7	AXA	6.08
6	6	MetLife	5.94
7	8	Aegon	5.36
8	11	Nippon Life Insurance	5.17
9	13	Prudential PLC	5.03
10	14	Aviva	4.97
11	10	Dai-ichi Mutual Life	4.92
12	15	CNP Assurances	4.71
13	16	Assicurazioni Generali	4.64
14	12	Sumitomo Life Insurance	4.45
15	9	Meiji Yasuda Life Insurance	4.14
16	•	China Life Insurance	3.83

• Not ranked last year.

AMERICA'S MOST ADMIRABLE COMPANIES

The Most Admired list

is the definitive report card on corporate reputations. Our survey partners at Hay Group started with the FORTUNE 1,000—the 1,000 largest U.S. companies ranked by revenue—and the top foreign companies operating in the U.S. They sorted the companies by industry and selected the ten largest companies in each. To create the 65 industry lists, Hay asked executives, directors, and analysts to rate companies in their own industry on eight criteria, from investment value to social responsibility. This year only the best are listed: A company's score must rank in the top half of its industry survey.

To create the top 20 and overall list of Most Admired Companies, Hay Group asked the 10,000 executives, directors, and securities analysts who had responded to the industry surveys to select the ten companies they admired most. They chose from a list made up of the companies that ranked among the top 25% in last year's survey, plus those that finished in the top 20% of their industry. Anyone could vote for any company in any industry. The difference in the voting rolls is why some results can seem anomalous—for example, FedEx is one of the top ten Most Admired Companies but only second in its own industry.

A total of 611 companies in 70 industries were surveyed. Due to an insufficient response rate, the results for 29 companies in five industries are not reported: advertising, consumer credit, health care, pharmacy and other services, precision equipment, and printing. Thus American Express (No. 17) and 3M (No. 20) are on the overall list even though their industries—consumer credit and precision equipment—did not have enough responses to merit a category. ■

6. Insurance: Life and Health

2005/2004	SCORE		
1	1	Northwestern Mutual	7.42
2	2	New York Life	6.97
3	8	Aflac	6.71
4	3	Massachusetts Mutual Life	6.52
5	4	TIAA-CREF	6.40

Corporate Reputation: Eight Key Attributes

To arrive at each company's score on the industry rankings, we averaged the scores of these eight criteria.

Innovation
People management
Financial soundness
Quality of management

Use of corporate assets
Social responsibility
Long-term investment
Quality of products/services

Northwestern Mutual's 'America's Most Admired' Rankings through the Years

YEAR	RANK	SCORE
2005	1	7.42
2004	1	7.49
2003	1	7.53
2002	1	7.52
2001	1	7.63
2000	1	7.38
1999	1	7.23
1998	1	7.39
1997	1	7.49
1996	1	7.18
1994	1	7.20
1993	1	7.24
1992	1	7.21
1991	1	7.26
1990	1	7.28
1989	1	7.30
1988	1	7.22
1987	1	7.03
1986	1	7.19
1985	1	7.17
1984	1	7.29
1983	1	7.15

Life & Health Insurance Industry not surveyed in 1995, therefore Northwestern Mutual not ranked that year.

Northwestern Mutual is the only company to rank first in its industry every year since 1983.