

ARTICLE

This CRO Finds Fulfillment in Ensuring That Clients ‘Retire with Certainty’

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“Every asset represents somebody’s dream, and every liability keeps someone up at night,” says Douglas Niemann of annuities leader Athene.



When the COVID-19 crisis struck in 2020, **Athene Holding**, like much of the corporate world, made a hasty transition to working remotely. Douglas Niemann, who joined the retirement services

provider in May of that year as chief risk officer, recalls not only the challenges of coordinating across multiple teams and geographies, but also the group's ability to close a big deal that June: a **\$27.6 billion reinsurance transaction** with Jackson National Life Insurance Co.

Much more was in store for the company and for Niemann, an executive vice president who prior to Athene was senior managing director of investment management and chief investment risk officer of Guardian Life Insurance Co. He also held senior positions at J.P. Morgan Asset Management, AIG Asset Management and Zurich Financial Services in a risk management career spanning more than two decades.

In March 2021, alternative investments giant Apollo Global Management, a minority owner of Athene since its 2009 founding, announced a formal merger agreement, which Apollo co-founder and CEO Marc Rowan said at the time "further aligns interests with our fund investors, giving us a bigger balance sheet to invest alongside clients in our various fund products."

The **merger was completed** in January 2022. Niemann is an Apollo partner, and Athene chief executive officer Jim Belardi is on Apollo's **leadership team**.

Annuities Leader

At Apollo's October 2024 **investor day**, Rowan described Athene's 15-year run as having taken "an existing product set in an existing industry dynamic" and making it "better." He added that Athene was "just getting started."

With about \$302 billion of gross invested assets, according to the investor day presentation, Athene is the leader in U.S. **individual annuity sales**. Athene led in fixed annuities and Equitable was first in variable annuities, according to a breakdown of third-quarter 2024 data by **Retirement Income Journal**.

"Risk management is embedded in our corporate culture and guides our decision-making," Niemann emphasizes in an exchange of emails. "Providing financial security to individuals in retirement is a fulfilling profession.

"I remind myself that every asset represents somebody's dream, and every liability keeps someone up at night. Risk management plays a critical role in helping the company help its clients manage their assets and liabilities in order to retire with certainty."

Niemann has an MBA in Risk Management and Insurance from the University of Wisconsin-Madison School of Business, and a BA in Economics from Northwestern University. He addressed corporate culture, organization and growth prospects in this recent interview.



*Athene CRO
Douglas Niemann*

Take us back to those first days during COVID.

Initially my responsibilities were conducted remotely. I worked virtually with leadership from Athene and Apollo, as well as the Finance, Actuarial, Investment, and Risk teams based in our offices across Iowa, California, New York, Connecticut, Canada and Bermuda.

Did you come away with new management insights?

The crisis presented an unprecedented set of opportunities, as demonstrated by the Jackson National block reinsurance transaction, which added nearly \$30 billion of fixed and fixed-indexed annuities to our balance sheet. Getting this done by coordinating across teams in a period of stress and unprecedented growth was intense but also essential to ensure that the firm's investment and financial risk profile remained strong.

In retrospect, it reinforced insights around confronting challenges and assuming positive intent, to be a great partner to the businesses.

How would you characterize the experience of combining the Apollo and Athene cultures?

Having been involved in corporate reorganizations at Zurich, AIG, Guardian and elsewhere, I know combining corporate cultures can be challenging. However, with Athene and Apollo, there was already a very close working relationship, particularly through Apollo's Insurance Solutions Group and the Risk department.

This created a foundation for even deeper collaboration after the merger, including tighter alignment of strategies and objectives within the Risk departments. Specifically, we implemented a simpler corporate governance structure and eliminated any public company conflict of interest between Apollo and Athene.

The shared history allowed for easier integration of processes and alignment of goals, resulting in a unified approach to risk management and strategic planning.

Describe the tone from the top driving the combined culture.

To act like an owner, put the firm first, engage actively and play to win.

How are you and the firm organized for risk management?

I report directly to the chair of the Athene board's Risk Committee, which is comprised of a majority of independent directors. I am a member of the Executive Committee, chair both the Investment and Risk committees, and counsel colleagues, regulators, rating agencies and investors on various business opportunities and risk considerations.

Risks are governed through established policies, limits and procedures, with experienced partners collaborating across the enterprise. Items requiring attention are escalated through management committees, and to the board of directors if needed.

Additionally, I participate in industry risk forums with peers, such as the **CRO Council**.

What do you look for when putting a risk team together?

At Athene, we built a team of experienced and empowered Risk leaders from a diverse set of backgrounds and experiences. Our team collectively draws on those experiences as well as technical training for sound judgment in making decisions.

What growth opportunities do you see over the next five years?

Athene has the opportunity to double in size by 2029 by continuing to exercise discipline.

At our investor day, we shared our plan for launching and scaling new products and unlocking new markets. International opportunities, especially in the Asia-Pacific region, will continue to be an area of focus, and we look to increase our presence in registered indexed annuities and stable value products, as well as providing guaranteed income through target date funds.

Risk management is crucial in conducting appropriate due diligence as Athene continues to grow [and] will play a pivotal role in ensuring we maintain a fortress balance sheet and excess capital and liquidity.

What is your outlook on macro risk mitigation?

Our business has performed well during challenging times – the global pandemic, geopolitical uncertainty, and different interest rate environments – proving its resiliency irrespective of economic and financial market conditions. We regularly conduct stress tests to inform our playbook for managing fiscal and monetary scenarios to ensure we maintain ample capital and liquidity in order to capitalize on market opportunities.

We take a proactive approach to identifying emerging risks by partnering with our regulators and establishing an Emerging Risk Working Group, which informs management and the board of directors on areas such as climate change, geopolitical conflicts, cybersecurity, and artificial intelligence.

Our stress-test framework is dynamic, and we can compare current risks and hypothetical scenarios with those from past periods.

L.A. Winokur is a veteran business journalist based in the San Francisco Bay Area.

Topics: **Enterprise**